**STATE OF WASHINGTON**

**OFFICE OF FINANCIAL MANAGEMENT**

# REQUEST FOR PROPOSALS (RFP)

**RFP NO. OFM 13-100**

**PROJECT TITLE: CHEHALIS BASIN FLOOD HAZARD MITIGATION ALTERNATIVES ANALYSIS**. Feasibility analyses to evaluate the benefits and impacts of alternatives for flood hazard mitigation and enhancement of aquatic species. The alternatives include water retention on the Upper Chehalis River, levees and other structures along Interstate 5 (I-5), a suite of smaller projects throughout the Basin, and a survey of the number and elevation of structures in the upper Chehalis floodplain and the potential effects that various projects and flood events would have on those structures. The selected contractor also needs to work closely with key parties in the development of an aquatic species enhancement plan for the Chehalis Basin. Contract deliverables and results will be used in technical, policy, and community workshops and forums to develop recommendations for the Governor and legislature on whether to move into the permitting phase for a water retention structure and other projects by December 1, 2014.

**PROPOSAL DUE DATE**: June 7, 2013, 3:30 PM, Pacific Daylight Time, Olympia, Washington, USA.

E-mailed bids will NOT be accepted. Faxed bids will NOT be accepted.

**ESTIMATED TIME PERIOD FOR CONTRACT**: July 22, 2013–March 1, 2015
The AGENCY reserves the right to extend the contract for up to two additional one-year periods at the sole discretion of the AGENCY.

**BIDDER ELIGIBILITY**: This procurement is open to those bidders who satisfy the minimum qualifications stated herein and that are available for work in Washington State.

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# 1. INTRODUCTION

## 1.1. PURPOSE AND BACKGROUND

The Washington State Office of Financial Management, hereafter called "AGENCY," is initiating this Request for Proposals (RFP) for the development and implementation of feasibility analyses for the 2013–2015 biennium to evaluate the benefits and impacts of alternatives for flood hazard mitigation and enhancement of aquatic species in the Chehalis River Basin. The alternatives include water retention on the upper Chehalis River, levees and other structures along Interstate 5 (I-5), and a suite of smaller projects throughout the Basin. The scope also includes a survey of the number and elevation of structures in the upper Chehalis floodplain and the potential effects that various projects and flood events would have on those structures. The selected contractor also will work closely with key parties in the development of an aquatic species enhancement plan for the Chehalis Basin.

Leaders in the Basin, the Governor, and state agencies are committed to enhancing the aquatic species in the Basin hand-in-hand with addressing flood damage reduction. The Chehalis Basin Work Group (Work Group), appointed by the Governor, will provide policy oversight throughout the study phase. A technical committee comprised of experts from state agencies, the Chehalis Tribe and other organizations will provide technical direction, review, and input throughout the process of implementing this scope of work. The deliverables and other results of this contract will be used in technical, policy, and community workshops and forums to develop recommendations for the Governor and legislature on whether to move into the permitting phase for a water retention structure and other projects. These recommendations must be made by November 15, 2014. In order to meet this timeline, the selected contractor must work on an aggressive schedule throughout the study phase and is expected to complete all analyses in the scope of work by September 2014. The selected contractor will assist the Work Group and other leaders in developing an innovative approach to flood damage reduction and aquatic species enhancement that has a high probability for successful implementation and achieving the goals of the affected communities.

The selected contractor will need to use the recently updated Chehalis HEC-RAS hydraulic model and any updates to the model to assess the potential benefits and impacts from different projects and combinations of projects. They will also need to use other models and appropriate technical analyses to provide required information to compare different approaches for flood damage reduction and aquatic species enhancement.

**BACKGROUND**

Over the last century, major floods in the Chehalis River Basin have occurred about twice per decade, causing loss of human life, loss of livestock, and damage to homes, businesses, farms, roads and railways. The worst floods on record have happened recently—in 1990, 1996, 2007, and 2009. The economic damages of the 2007 flood alone were estimated at over $900 million, with a third of that damage coming from disruption and damage to the transportation system, I-5, state highways, and rail lines. These recent floods prompted governments and residents of the Basin to re-commit to the task of flood damage reduction. There is now broad agreement in the Basin that more should and can be done to reduce damages from large floods.

Since the 2007 flood there has been active engagement of leaders in the Basin to determine a program of flood damage reduction investments. Progress has been made in preparing for future floods, potential flood damage reduction projects have been scoped and evaluated, the flood warning system has been improved, and new tools, such as a Basin-wide hydraulic model, have been developed to better understand flooding in the Basin and the potential impacts of flood damage reduction projects.

The 2011 Legislature required the Office of Financial Management (OFM) to prepare a report addressing a series of technical questions and—in coordination with tribal governments, local governments, state and federal agencies—to recommend priority flood damage reduction projects for the Chehalis Basin. Based on the recommendations of Basin stakeholders, OFM asked the William D. Ruckelshaus Center at the University of Washington and Washington State University to coordinate development of the report, working with the entities mentioned above.

The *Chehalis Basin Flood Hazard Mitigation Alternatives Report* was made available for public review in July 2012 and finalized in December 2012.

Upon publication of the report, then-Governor Gregoire asked a Work Group of Basin leaders to develop a Basin-wide strategy for moving forward with a plan for flood hazard mitigation. With facilitation from the Ruckelshaus Center, the group reached consensus recommendations, which also have the full support of the Chehalis Basin Flood Authority. The recommendations set forth a two-year, twofold, Basin-wide course of action to:

1. Promote real improvements through a series of smaller-scale projects now.
2. Complete the analysis needed for decisions to be made about the best mix of additional large- and small-scale projects to significantly reduce flood damages and enhance aquatic species including improving salmon runs.

Governor Gregoire endorsed the group's recommendations and her proposed 2013-2015 budget directed $28.2 million in capital funds to implement them. In March 2013, Govenor Inslee included the full funding for the Chehalis in his proposed biennium budget. The funding has been included in both the Senate and House preliminary budgets.

The funding for this contract is contingent upon the Legislature's approval of Chehalis funding in the capital budget, which includes all of the Work Group's recommended budget elements for work in the Basin. The scope of work for the contrator focuses on the support necessary to complete the analyses for decisions to be made about the best mix of additional large and small-scale projects to significantly reduce flood damages and enhance aquatic species in the future.

*Water Retention*

A number of water retention alternatives have been investigated over the last two decades. Based on exploring large- and small-scale water retention options, the only known single water retention project that is potentially feasible and could significantly reduce peak flood elevations (and thereby reduce flood damages) for both upstream and downstream communities during major flooding is a large upstream water retention or storage facility on the mainstem of the Chehalis River.[1,2,3] Such a structure could hold back storm flows when the mainstem of the Chehalis is the principal source of major flooding, and it could hold back mainstem flows when tributaries like the Skookumchuck and Newaukum are flooding.

Preliminary feasibility studies on a large upstream water retention structure on the upper Chehalis River have been done; however, at this time, it is not yet known whether a water retention structure is actually feasible. The next steps, identified in this RFP, are to refine the engineering designs, conduct deeper analyses of dam safety issues, and identify more specifically the implications of a dam for water quality, quantity, and aquatic species. When this additional information is available, the assessment of the economic benefits weighed against the cost of large upstream water retention also needs further refinement. The optimum structure would both enhance fisheries and provide flood protection.

It is known from the studies done over the last year that there will be environmental impacts, and there may be the potential for environmental benefits, from a large upstream water retention structure[4]. It is necessary to know if the optimum structure—one that enhances fisheries and provides flood protection—is one that would remain open to the river (and to the passage of out migrating salmon) except during flooding, or if the optimum structure would be one holding a permanent reservoir allowing the release of water during summer months with the potential to improve water quality downstream. It is important to better understand how and where fish

[1] 2009. EES Consulting. DRAFT Lewis County PUD Chehalis River Water Retention Facilities Potential Study. February, 2009.
[2] 2011. EES Consulting. Chehalis River Flood Water Retention Project: Phase IIB Feasibility Study Report. Final Submitted April 14, 2011.
[3] 2010. ENVIRON International Corporation. Review of Chehalis River Water Retention Structures Scoping Document and Proposed Studies. Prepared for Chehalis River Basin Flood Authority. 2010.
[4] Anchor QEA, LLC. 2012. Chehalis River Flood Storage Dam Fish Population Impact Study. Prepared for Chehalis Basin Flood Authority, Lewis County Board of County Commissioners. April, 2012.

currently use the river and to know what it will take to fully offset any risks to fish and water quality from water retention. In order to build the coaliation of support that would be needed to fund and build a dam, it is important to determine whether and how a large-scale water retention structure could be combined with other investments to significantly improve the conditions for fish and other aquatic species in the Basin.

Given the potential for large-scale water retention to significantly lower peak flood elevations during major floods and thereby provide Basin-wide flood damage reductions, answering these questions is a primary task for this contract. Many of the analyses contemplated for large-scale water retention also would support other work in the Basin, including analysis of smaller-scale capital projects, fish and ecosystem enhancement efforts, and land-use management.

*Interstate 5 Protection*

With or without an upstream water retention structure, hydraulic analyses have shown that Interstate 5 would still require significant flood protection investments in Chehalis and Centralia. As the evaluation of a large upstream water retention facility is completed, the Washington State Department of Transportaion (WSDOT), in coordination with the selected contractor, needs to complete an evaluation of I-5 protection alternatives along a five-mile stretch of I-5 that begins near the 13th Street interchange at milepost 76 and extends north to the Mellen Street interchange at milepost 81.

*Small Project Scenario*

There is no single solution or combination of projects that can provide complete flood hazard mitigation throughout the Basin. Improvements to I-5 and a large upstream water retention structure could reduce damage significantly, but there would still be a need for other flood damage reduction projects in the Basin. There is an interest to know how a suite of smaller projects throughout the Basin would compare—in regards to flood damage reduction and potential environmental impacts—to larger projects like water retention and levees/walls along I-5. This scope of work includes exploring the benefits from a combination of smaller local projects across the Basin, focused on protecting key infrastructure, controlling shoreline erosion, and improving water conveyance and drainage at key points in the Basin. Analysis is needed to consider the the potential impacts and benefits of these projects with and without large-scale water retention. A program of smaller projects aimed at protecting key infrastructure and priority areas throughout the Basin may provide a measureable reduction in damages from major floods. Further analysis of such a program can help determine how much damage reduction is possible, and at what cost, and provide additional context for considering large-scale projects.

Some of the information on smaller projects and alternatives to a large-scale water retention structure and I-5 improvements are summarized in the Alternatives Report by the Ruckelshaus Center. However, additional research is required to summarize existing information and add any new information from local communities in the Basin to determine if additional small scale projects should be considered.

*Survey of Structures in Floodplain*

Past estimates of benefits and impacts from potential flood damage reduction projects have been based on overall damage estimates from different floods in the Basin. Historically, most of the damage from flooding has occurred in WRIA 23. More refined estimates of the impacts of different potential projects could improve the estimates for benefits, impacts, and the benefit-cost analyses for alternative flood damage reduction projects. This scope of work includes determining the number of structures in the upper Chehalis floodplain (from Pe Ell to just downstream of Centralia) and surveying the elevation of structures for a representative sample of structures in the upper Basin to understand the potential effects that various projects and flood events would have on those structures. This work should build off of survey data produced by WSDOT in 2012 for their I-5 Alternatives report, which was the best available data at the time, but can be further improved and refined as part of this analysis.

*Comparison of Alternatives*

Based on the results of the water retention structure feasibility analyses, I-5 flood mitigation alternatives analysis, and small projects scenario feasibility studies, additional analyses are required to compare the advantages and disadvantages of different alternatives against each other. In order to provide effective project comparisons, a mix

of hydraulic modeling analyses, qualitiative studies of the potential impacts of different alternatives, and cost comparisons needs to be conducted. A detailed benefit cost analysis needs to be developed for the optimum water retention structure separately and at least two scenarios that include a combination of preferred projects that are determined by the Work Group.

*Aquatic Species Enhancement Plan*

The Chehalis Basin is the second largest watershed by area in Washington, with culturally and economically significant salmon runs. However, environmental degradation has contributed to major reductions in those runs, which are now estimated to be in some cases less than 15 percent of their historic abundance.[5] Despite significant efforts by many to restore some of the environmental conditions in the Basin, there is no comprehensive strategy for enhancement of aquatic species. Leaders in the Basin, the Governor, and state agencies are committed to enhancing the aquatic species in the Basin hand-in-hand with projects to reduce future flood damages. The goal is to significantly enhance the aquatic environment and dramatically increase salmon runs. The capital budget includes funding for development of a comprehensive aquatic species enhancement plan and the selected contractor needs to work in collaboration with technical experts in the Basin to develop the strategy.

*Engagement of Technical, Policy and Community Interests*

A critical component for the success of the overall scope of work is effective engagement of technical, policy and community interests. The Governor's Chehalis Basin Work Group will provide oversight and policy direction for the detailed elements of the work as needed. A technical committee of experts from state agencies and other organizations will be created and provide frequent direction to the selected contractor and confirm the assumptions that are used in the different technical analyses. A program manager will be provided by OFM and will serve as the interface between the Contractor, technical committee, and Work Group. To expand the engagement of other technical, policy and community interests, there will be four separate technical, policy, and community workshops between July 1, 2013 and January 31, 2015. The technical and policy workshops are expected to be two-day workshops, for a total of 16 days during the period of time. The community workshops are expected to be in the evening at three locations in the Basin for each of the four workshops, for a total of 12 evening meetings. The OFM project manager will organize and facilitate the workshops. The selected contractor and its technical experts will need to be available for the workshops and to prepare materials as requested.

The selected contractor needs to work in collaboration with, and under the direction of, the OFM, the Governor's Chehalis Basin Work Group, and various Washington State agency representatives.

The AGENCY intends to award *one* contract to provide the services described in this RFP, recognizing there are likely to be several sub-contracts awarded by the selected contractor.

## 1.2. OBJECTIVES AND SCOPE OF WORK

As stated above, the primary objective of this RFP study period (July 2013 to March 2015) is to evaluate the benefits and impacts of alternatives for flood hazard mitigation and enhancement of aquatic species. The alternatives include water retention on the Upper Chehalis River, levees and other structures along I-5, and a suite of smaller projects throughout the Basin. The scope also includes a survey of the number and elevation of structures in the upper Chehalis flood plain and the potential effects that various projects and flood events would have on those structures. The selected contractor also will work closely with key parties in the development of an aquatic species enhancement plan for the Basin. The results of the scope of work will be used in technical, policy and community workshops and forums to develop a recommended path for the Governor and legislature on whether to move into the permitting phase for a water retention structure and other projects by November 15, 2014. The total budget available for this contract is $5,750,000.

[5] Mobrand Biometrics, Inc., 2003. Assessment of salmon and steelhead performance in the Chehalis River Basin in relation to habitat conditions and strategic priorities for conservationand recovery actions. Prepared for Chehalis Basin Fisheries Task Force and Washington Department of Fish and Wildlife. December, 2003.

The Chehalis Work Group, appointed by the Governor, will provide policy oversight throughout the study phase. In order to develop a recommended path for the Governor and legislature by December 1, 2014, the selected contractor must work on an aggressive schedule throughout the study phase and is expected to complete all analyses in the scope of work by September 2014. The selected contractor will assist the Work Group and other leaders in developing an innovative approach to flood damage reduction and aquatic species enhancement that has a high probability for successful implementation and achieving the goals of the affected communities. The selected contractor will work closely with a team of technical experts from interested parties and the Work Group in implementing the scope of work. Meetings of the technical committee, Work Group, as well as all the workshops and public forums will be organized and facilitated by the OFM project manager.

Below are the seven elements of the scope of work:

A. Water Retention
B. I-5 Alternatives
C. Scenario of Small Flood Damage Reduction Projects
D. Survey of Floodplain Structures
E. Comparision of Alternatives
F. Aquatic Species Enhancement Plan
G. Engagement with Technical, Policy and Community Interests

Each element of the scope is described in more detail below. Additional reference and background documents are available at: http://rossstrategic.net/chehalis-rfp

### 1.2.A. WATER RETENTION

The objective of this element is to estimate the benefits, impacts and costs of a water retention structure on the mainstem of the Chehalis River. To meet this objective, several main questions have to be answered, including:

- What type of water retention structure provides the optimum benefits and least adverse impacts?
- How will the dam be operated to optimize benefits and minimize adverse impacts?
- What impacts on fish passage are likely and what are the potential costs associated with the impacts and their mitigation?
- What is the impact on water quality and sediments in terms of channel configurations?
- What environmental mitigation might be required?
- What is the benefit-cost ratio of the optimal design given new information on benefits and costs?
- How do the benefits, impacts, and costs vary in combination with other flood damage reduction projects and environmental enhancements?

The goal of this work is that by December 1, 2014, interested parties in the Chehalis Basin and at the State of Washington will have the information they need to decide whether or not to move forward into permitting for one of the potential water retention structures and configurations. The studies listed below for each functional area are intended to provide the data and analysis necessary to answer the questions above. The studies need to be completed by September 1, 2014 to provide for policy evaluation and the development of recommendations to the Governor and legislature by November 15, 2014.

These functional area studies and costs were originally estimated in fall 2012 through a collaborative process involving the Lewis County PUD and state agencies with support from the Ruckelshaus Center and consultants. This work was originally estimated in the *Chehalis River Basin Flood Retention Structure 8-Year Project Planning Document – October 30, 2012.* The cost estimates in the October 30th document were used as a guide in developing the overall budget for this contract. Proposals may deter from the original estimates. See Section 1.4 Funding.

## I. Engineering

One of the main assumptions in past analyses is that a water retention structure would be an earthen dam. There is an interest to explore other types of structures based on the best available information and experiences with dams nationally and internationally. The engineering function should focus on the required design for fish passage and determining the type of structure (flood control only or multi-purpose) to build. The engineering studies requested for the engineering function are:

### I.a. Dam Design Study

Alternative approaches to engineered water retention structures should be evaluated with respect to both water retention effectiveness and environmental sustainability to determine the optimum structure: one that enhances fisheries and provides flood protection. This task would consist of developing an analysis of water retention designs from around the world and a discussion of their applicability in the Chehalis Basin. Once the analysis has been completed, it is proposed that a focus group consisting of interested parties from state agencies, the Work Group and dam design engineers explore possible options and innovative solutions in the Chehalis Basin.

### I.b. Fish Passage Design Study

This study is requested to address the question of what type of fish passage facilities may be required at the proposed flood control structures. The types of fish passage will likely vary depending on project purpose (flood control only or multipurpose). The fish passage study focuses on developing and evaluating alternatives for providing fish passage at the flood retention structures for both upstream and downstream migrants. It is anticipated that the study would consist of the following work tasks:

Data collection and review of existing facilities. It is important to collect information on existing fish passage facilities that have similar features to potential flood retention structures being evaluated here. Owners of the existing facilities should be contacted to determine the basic configurations and overall features, operational characteristics and limitations, and design pros and cons of the various passage facility alternatives. A standard questionnaire is suggested to ensure standardization of data collection and filing. For those facilities that appear to have merit for application at the proposed flood retention structures, site visits are suggested to view the facilities and discuss operation with the site operators. The results of this task should be documented in a technical memorandum.

Develop design and operation criteria. To develop alternatives, a preliminary understanding of the anticipated project operation is important. Working with the project design team, a range of criteria should be developed which represents the anticipated operating scenarios. These operating criteria should be combined with fish passage facility design criteria to form the design criteria framework upon which fish passage alternatives would be developed. The design and operation criteria should be summarized in a technical memorandum.

Brainstorming meeting to identify and pre-screen alternatives. Based on the review of existing facilities and data, the selected contractor needs to conduct a brainstorming session to identify potential fish passage alternatives. The fish passage needs to be designed for a potential new dam, thus innovative designs not currently in existence may be considered. It is anticipated that the brainstorming session would be attended by the project team, other technical experts and key stakeholders. A list of potential alternatives for fish passage structures would be developed, then pre-screened based on a set of pre-determined evaluation criteria to determine if any “fatal flaws” are associated with an alternative. Any alternatives with fatal flaws need to be removed from further consideration and the remaining alternatives need to be advanced for development of feasibility level design details.

Develop feasibility level layouts for screened alternatives. Preliminary layouts and details for the fish passage alternatives need to be developed to illustrate the arrangement and intended operation. The primary facility elements need to be illustrated to ensure the intended operation is clearly understood.

Evaluate alternatives and select best alternative. For both upstream and downstream passage alternatives, a range of site-specific evaluation criteria needs to be developed and used to evaluate each fish passage alternative being considered. These criteria should include biological effectiveness of the fish passage system, impact on the flood control operation, operation and maintenance complexity and cost, capital cost, and other criteria as identified. These criteria can be used to determine the best alternative for application at the flood retention structures.

Cost Estimates. Develop costs for construction, operation and maintenance of the proposed fish passage alternatives. These cost estimates need to be in a format and at a level of detail sufficient for use to update the benefit-cost analysis.

Prepare study report. The analysis and results of the fish passage study needs to be summarized in a study report. A draft report should be prepared for review by the team and stakeholders.

The engineering fish passage study would be conducted in concert with the biological studies proposed under Task IV, the environmental studies portion of this report. The biological data provided from these studies is necessary to determine fish species, timing, numbers, and general characteristics for upstream and downstream migrants.

**I.c. Evaluate and Compare Structure Alternatives**

Based on the fish passage alternatives reviewed and work completed under the other disciplines, the alternatives design and operation of water retention structures needs to be compared and evaluated. The evaluation should consider cost and benefits, fish passage, flow augmentation, operational criteria, water use, permitting, potential for sediment accumulation, and other significant factors as deemed necessary to determine the feasibility of a preferred option. This task may include presentations, stakeholder meetings, and correspondence with key staff and interested parties in the Basin and at the state.

Anticipated deliverables from Engineering Analyses

- Technical Memorandum summarizing the analysis of water retention structures around the world and the applicability of different designs to the Chehalis Basin
- Technical Memorandum regarding fish passage data collection and review of existing facilities
- Technical Memorandum regarding fish passage design and operation criteria
- Technical Memorandum regarding preliminary feasibility level layouts for screened alternatives for fish passage
- Technical Memorandum regarding site specific evaluation criteria for each fish passage alternative being considered
- Technical Memorandum regarding cost estimates for construction, operation, and maintenance of proposed fish passage alternatives
- Study report summarizing analyses and results of fish passge study (draft report reviewed by team and stakeholders)
- Technical Memorandum regarding comparison and evaluation of alternatives design and operation of water retention structures.

## II. Geotechnical

**II.a. Conceptual Design Meetings and Support Tasks**

No specific geotechnical exploration or analysis is proposed during the biennium; however, geotechnical expertise and engineering services will be needed to support completion of required analyses and tasks. This will include:

- Attending meetings with stakeholders and other design personnel
- Providing geotechnical input to assist other disciplines

- Providing input into estimations of service life (sediment accumulation being one factor) and decommissioning costs
- Assisting with refinement and periodic reassessment of project economics

## III. Hydrology & Hydraulics

Hydrologic and hydraulic (H&H) studies need to be undertaken to better define baseline conditions and to support the evaluation of alternative designs and dam operations efforts. Accurate hydrologic data is needed in order to quantify the impacts and benefits of potential water retention structures and to define an optimal operation plan for the reservoir. This work will involve review and analysis of the hydrology data from the Doty gage and updates to the hydraulic model for the Chehalis Basin to provide more accurate flood inundation information for use in the economic benefit-cost study and environmental assessment. The specific studies for the H&H task are:

### III.a. Development and Modeling of Preliminary Dam Operations Plan

Conceptual design of reservoir structures (outlet works, bypass tunnel, sediment management facilities, fish passage facilities, spillway, powerhouse, energy dissipation, etc.) requires an improved understanding of reservoir operations i.e., flow releases. Likewise downstream environmental and flood damage reduction benefits and potential impacts of the reservoir will also be directly affected by the operation of the reservoir. In an earlier Fish Study (Anchor QEA, 2012), a reservoir operations model was developed and used to define a preliminary operation plan for the reservoir. Given the subsequent work done by WSE, Anchor, and others to evaluate downstream effects of the reservoir, it is necessary to revisit the earlier analysis and determine if a more beneficial operational plan can be developed. Interested parties in the Basin and at the State need to be surveyed to gain insight into alternative flow conditions they feel might reduce project impacts or increase project benefits. Using information collected from interested parties, a range of alternative operation scenarios (i.e., discharge during small to large flood events, seasonal discharges, fish passage flows, discharge required to maintain geomorphic processes downstream of dam, etc.) need to be defined.

The existing HEC-Res SIM operations model of the reservoir, prepared for the Anchor QEA Fish Impact Study, needs to be refined and then used to review these alternative operational concepts to determine which conditions are feasible given the location and proposed size of the dam. A plan of proposed operations needs to be developed which should inform the design and cost estimate of outlet structures at the dam. This task assumes that existing hydrologic data will be used with the existing reservoir operations model to evaluate the feasibility of operational alternatives. It is further assumed that interested parties have adequate information from other sources to suggest operational alternatives and that no additional downstream benefit or cost analyses are required to define the operations plan.

### III.b. Peer Review Study of December 2007 Peak and Hydrograph at Doty Gaging Station

Previous and future studies for the proposed retention structure alternatives have relied on information from the Doty gage. Several stakeholders in the Basin have questioned the accuracy of the USGS estimate of the peak flow and flow hydrograph for the December 2007 flood event at the Doty gage station. A review of the flow estimate is needed to improve confidence in the data and (if the flow estimates change) allow a more accurate hydraulic model calibration. If there are significant issues found with the USGS peak flow or volume, the statistical hydrologic analysis used for the basin scale hydraulic modeling needs to be updated to reflect the new data.

### III.c. Collect new Channel Cross-Section Data Survey and Update the Chehalis Basin Hydraulic Model

The hydraulic model is needed to provide river peak and flow information for engineering and environmental studies. The hydraulic model developed for the Chehalis River Basin Flood Authority in 2012 used all topographic data available at that time. Subsequent to the work in 2012, additional LiDAR-based topographic data has been collected for much of the Chehalis River floodplain. In addition, the 2012 modeling did not include substantial updates (i.e., new cross sections) for the portion of the hydraulic model within Lewis County. Under this task the Chehalis HEC-RAS model needs to be updated using new channel surveys and recently collected topographic data.

New in-channel survey data needs to be collected for the reach between Doty and Grand Mound (approximately 50 miles). Surveys need to be collected at either a nominal 2000-foot spacing (as in the current model) or at a tighter density such as 1000-foot average spacing. Previous (1998 or earlier) channel survey locations need to be reoccupied to the extent possible. In-channel survey data needs to be merged with recently acquired LiDAR data for the overbanks to create composite cross sections for use in the hydraulic model.

The HEC-RAS model needs to be updated to reflect the new cross section data in the Grand Mound to Doty Reach and the model needs to be run for the February 1996, December 2007, and January 2009 events. The model may also be updated to reflect new LiDAR based topographic data available for the floodplain between Grand Mound and Montesano. Other refinements to the model may be made if the new topographic data suggests these are appropriate. Additional model calibration should be performed as necessary. This reflects a range of assumptions about whether or not the lower basin LiDAR is used to update the model and the level of additional calibration required.

Following completion of model refinement and calibration the hydraulic model needs to be run for the 10-, 25-, 100-, and 500-year flood events. It is assumed that all hydrologic data needed for this analysis are available from the USACE GI study.

**III.d. Update and Extend Flood Depth Data for Economic Analysis**

The primary potential benefit of a dam on the Upper Chehalis River is flood damage reduction along the downstream river corridor. To determine the project benefit, the hydraulic model output (inundation area and water surface elevation) was processed into gridded depth data, which was then input to the FEMA HAZUS model to estimate avoided damages for floods with return intervals ranging from the 10- to the 500-year event. In earlier work in 2010, depth data were developed for the baseline and with-dam scenarios for the downstream reach between Doty and Grand Mound. Subsequent to that work the hydraulic model has been extended to cover the entire downstream floodplain from Pe Ell to Aberdeen and the model has been refined and recalibrated in the Twin Cities area. Updating the benefit cost analysis as described in the Economic Analysis section requires new depth data for input to the HAZUS analysis.

Flood event depth data needs to be developed for the entire floodplain from Pe Ell to Aberdeen for the baseline and with-project conditions. Data needs to be developed at a 30 x 30 foot grid. HEC-RAS model output needs to be post processed using GIS techniques to develop these data. Gridded ground elevation data developed from available LiDAR sources needs to be subtracted from water surface elevation grids for the 10-, 25-, 100-, and 500-year floods and the resultant depth grids needs to be provided digitally in GIS shape file format.

It should be noted that the most recent hydraulic analyses, conducted for the Chehalis River Basin Flood Authority, only evaluated the 100-year flood and the February 1996, December 2007, and January 2009 events. To develop the flood event data needed for the cost benefit analysis requires new modeling of the 10-, 25-, 100-, and 500-year events. It is assumed that any hydrologic data needed for this analysis is already available from the USACE General Investigations (GI) study.

**III.e. Re-evaluate Statistical Hydrology**

The purpose of this task is to evaluate the historical record of flood events in greater detail to ensure that all significant flood patterns represented in the historical data are adequately captured by the simulation of the actual events of February 1996, December 2007, and January 2009, together with the theoretical design storms. In particular, this task needs to address the question of whether there is a reasonable possibility of extreme flood events that are focused in the Cascades and with only minor contributions from the Upper Chehalis basin. This evaluation needs to improve understanding of possible storm patterns (both spatially and temporally) over the basin and may lead to the development of additional hydraulic model inputs. The findings of this task might also be used in the development of the dam operations plan.

Anticipated deliverables from Hydrology & Hydraulics

- Updated HEC-Res SIM operations model of the reservoir
- Technical memorandum describing the findings of the review of the peak and hydrograph at the Doty gaging station
- Updated Chehalis HEC-RAS model using new channel surveys and topographic data; updated hydraulic model runs for the 10-, 25-, 100-, and 500-year flood events
- Updated depth grids in GIS shape file format for the 10-, 25-, 100-, and 500-year flood events
- Technical memorandum describing the findings of the re-evaluation of statistical hydrology

## IV. Environmental

The environmental tasks for this study phase focus on identifying the potential impact to fish and wildlife from the optimum water retention structure and collecting additional information on water quality and sediment transport implications of a dam. The scope of the environmental studies was developed to collect the types of information needed during the early phase of the dam design process. The actual methods and study designs that need to be used to gather the information need to be refined upon future discussions with interested parties. The work outlined below related to data collection on fish use in the reservoir area and mainstem Chehalis River needs to be performed by Washington Department of Fish and Wildlife (WDFW) and the Chehalis Tribe, not the selected contractor. The environmental studies proposed during the first study period are:

### IV.a. Collect Data on Fish Use in Reservoir Area and Mainstem Chehalis River

The Chehalis Tribe and WDFW will perform the data collection tasks described below. The data will then be used by the selected contractor with appropriate methods and models to predict the adverse impacts and benefits to aquatic species from the optimum water retention structure. The determination of the appropriate methods and models will be based on the recommendations of the selected contractor in consultation with the technical team for the Basin. This determination will be based on the advantages and limitations of different methods and models and the data set. The selected contractor may be requested to supplement work by the Chehalis Tribe and WDFW if determined necessary.

Work by the Chehalis Tribe and WDFW will include:

- Determine the composition, distribution, and abundance of fish and invertebrate species in the inundated reach as well as select reaches up and downstream of the inundated reach. Fish surveys will be conducted using various methods (netting, electrofishing, snorkeling, etc.). Invertebrate sampling will be designed to identify community composition and species presence using various methods. Study reach will be selected to provide input to existing and planned fish and habitat modeling. In addition to sampling salmonids, the studies need to also focus on collecting information on resident fish species and state-listed species of concern. The study objectives are to determine fish presence, distribution, and abundance to identify impacts and inform fish passage facility design alternatives using various methods. Species to be targeted in the sampling need to be determined after meetings with stakeholders. The non-salmonid species of interest could include northern pikeminnow, Olympic mud minnow, and brook and river lamprey, among others.
- A juvenile rotary screw trap was installed in January 2013 on the mainstem Chehalis River near the location of the proposed dam to determine outmigrant age distribution, abundance and timing. This is needed to characterize smolt timing and abundance among years to: 1) capture how migration timing and magnitude varies with flow and environmental conditions, 2) gather information on species of interest to stakeholders, including species for which no data exists currently (summer steelhead, coastal cutthroat, and lamprey), and 3) develop fish passage facility designs that need to successfully pass adult and juvenile fish (location, type, and size of the facilities) and meet the mitigation requirements.
- Determine adult salmon and steehead spawning timing, distribution and abundance through snorkel, boat, and aerial surveys, including summer steelhead and coastal cutthroat trout.

- Design and conduct a juvenile fish tagging study to investigate when juvenile salmonids move through the flood control structure area, including upstream movements during periods of warm water temperature (seeking cool refugia) and downstream movements into and through the main stem during overwinter rearing period.
- Determine the amount of off-channel habitat available for rearing along the mainstem Chehalis River, particularly overwinter rearing (which was not available in previous studies).
- Collect additional data in reservoir area to characterize existing habitat and for use in a Physical Habitat Simulation Model (PHABSIM) analysis.

**IV.b. Water Quality**

The purpose of the water quality studies in this period are to further characterize water temperatures, dissolved oxygen (DO) and water quality throughout the mainstem Chehalis River using data loggers. In previous studies, eight temperature data loggers were placed in the river and monitored for about seven months. The ownership of those data loggers was turned over to the Washington Department of Ecology (Ecology) and additional monitoring was performed in 2012; however only five data loggers were still present in 2012. Getting new and additional data loggers out into the river as early as possible, preferably between July and August 2013 is necessary to complete the benefit-cost analyses. Monitoring would be continued through the summer of 2013 and beyond. A quality assurance project plan needs to be completed for this study, preferably before employing any new additional data loggers. The number and location of the additional data loggers would be determined through collaboration with Ecology, the technical committee and the Work Group.

Continuous DO should be measured with a multiparameter data-logger at several key locations in the river at the time of the data collection surveys. To assist in evaluating the temperature data collected and calibrate future water quality models, a synoptic flow measuring program is proposed. This flow measuring program, preferably starting in August 2013, needs to measure Chehalis River and tributary inflows and temperature in a downstream direction to characterize flow and temperature inputs and temperature increases from upstream to downstream. A component of flow in the Chehalis River is provided by groundwater. At the same time the synoptic flow measurements are performed, groundwater temperatures need to be measured in existing wells to help quantify the effect of groundwater inflow on temperature in the Chehalis River. Additional water quality sampling to characterize nutrients, BOD and suspended solids need to also be performed in conjunction with the temperature and DO monitoring program. An analysis of riparian shading needs to be performed using aerial photography, hemi-view, LiDAR and field reviews to characterize the extent of shading along the Chehalis River. All of these analyses should provide additional input necessary to characterize solar heating along the mainstem Chehalis River, supplement fish use data in the Chehalis River, and provide a solid database for future water quality studies.

Once the data are collected, if resources are available, the existing water quality model should be re-calibrated or an improved water quality model calibrated. The ultimate purpose of the water quality model is to assess the impacts of potential water retention projects on water quality under both current and fully restored conditions. The completion of this analysis is not expected in this two-year period, but as much information as possible about water quality impacts should be obtained to provide information to the benefit-cost analysis.

**IV.c. Sediment Transport**

The purpose of the sediment transport studies is to refine estimates of bedload transport to help define the size of potential water retention project facilities (outlet discharge) and operations in order to minimize impacts to Chehalis River fish habitat. The work needs to be performed by obtaining and reviewing recently surveyed cross-sections (between Pe Ell and Doty) and river cross-sections downstream of Doty proposed to be surveyed in Task III.c., described as “Collect new channel cross-section data survey and update the hydraulic model” in the Hydrology and Hydraulics Studies section. Additional sediment data needs to be collected and the estimates of sediment transport and sediment input from the previous Fish Study updated. Sediment sources and landslide areas in and above the reservoir area need to be identified for more detailed

engineering evaluations of stability and potential for reservoir infilling. Bedload sediment transport data needs to be collected at key locations if possible during a high flow event. A report summarizing the results of the studies needs to be prepared. The key result of that report should be an understanding of the potential impact to gravel transport (and fish habitat) through the Chehalis River with the potential reservoir and the way the reservoir can be designed to minimize those potential impacts. In addition, the results of this analysis need to assist in reviewing potential sedimentation issues in the reservoir that could be caused by operating a reservoir with fluctuating water levels.

**IV.d. Habitat Mapping and Wildlife Studies**

The purpose of habitat and wildlife studies is to determine a baseline of species presence and abundance in and around the potential reservoir area. The focus of the effort needs to be on species that are considered threatened, endangered, or which are candidates for protection under state or federal law. This will be important information for developing a complete understanding of the direct impacts associated with potential water retention projects in support of SEPA and NEPA and analysis. A report summarizing the results of the field studies needs to be prepared. The report should contain scoping comments provided by agencies and recommendations for completing further wildlife analyses.

Habitat Mapping should be accomplished through a combination of remote sensing analysis and field calibration and verification. Particular emphasis should be placed on mapping wetland habitats due to their ecological importance and legal protection under various federal, state and local regulations. A better, more quantitative assessment of wetland habitats is important in understanding requirements and costs associated with direct wetland impacts. Wetlands need to be mapped based on remotely-sensed data, including a project-specific orthophoto. This should be a high-resolution, low altitude, color plus infrared image shot with established ground control targets to facilitate accurate ortho-rectification and classification. Color infrared imagery should be acquired during fall senescence for capturing the maximum variation between vegetation species targeted for differentiation.

Upland habitats need to be mapped simultaneously based on vegetation, soils, slopes and geology. The purpose of this effort is to quantify the direct impacts of the project alternatives on birds and wildlife that use the proposed reservoir site. Mitigation for these impacts will vary depending on the species and habitats impacted and the magnitude of those impacts.

Field verification of habitat mapping needs to occur in two phases and in both cases be combined with bird and wildlife observation points. The first phase should occur early in the habitat mapping process and needs to inform that process. The goal of the field verification should be to refine and calibrate the methods used in determining habitat boundaries and habitat quality based on the available data. The second field verification effort would be focused on ground truthing the habitat maps, clarifying any conflicts or uncertainties, and correcting errors. This effort should also be used to stratify the wildlife observation points to represent the range of habitat conditions present.

Habitat observation points need to be used to document all observations of species and species use (e.g., tracks and scat) as well as vocalizations. A standard protocol should be adopted and a subset of observation points in each habitat type should be monitored early and late in the day as well as throughout the year in order to account for temporal variations in species presence and activity. A report summarizing the results of the field studies needs to be prepared. The report would also contain scoping comments provided by agencies and contain an approach for completing further wetland analyses.

Anticipated deliverables for Environmental

- Technical memorandum recommending the use of models to predict impacts and benefits to aquatic species
- Technical memorandum summarizing the results of the model runs and analyses for impacts and benefits to aquatic species
- Technical memorandum summarizing the results of the water quality studies

- Report summarizing the results of the sediment transport studies
- Report summarizing the results of the habitat mapping and wildlife studies, including scoping comments provided by agencies and recommendations for completing further wildlife analyses

### V. Permitting & Regulatory

The permitting and regulatory tasks are to identify the likely permits and regulatory processes and requirements for the optimum water retention structure. The proposed tasks provide permitting support to ongoing studies and monitor the progress of the project from a permitting and regulatory perspective. The proposed tasks include:

#### V.a. Regulatory Review of Flood Control Only Permitting Alternative and FERC Licensing Alternative

The alternatives need to be analyzed against the regulations of anticipated permits to determine any issues that would prohibit or challenge development of the project. Land ownership needs to be reviewed. A permitting matrix needs to be developed that links the environmental studies to the anticipated permits.

#### V.b. Cultural Resource Review

This work involves compilation and analysis of information on cultural resources to include:

- Background/context research to identify previously recorded resources in the vicinity and to better understand tribal interests in the location.
- Participation in occasional meetings/calls to advise the project proponents on appropriate consultation processes and assist with review of information gathered that may be relevant to cultural resource issues.
- Review gathered information in the context of multiple alternatives and recommend a preferred alternative from the cultural resource perspective (if there is any distinction).

#### V.c. Agency Pre-Consultation

Pre-consultation will need to be conducted with permitting agencies to confirm or revise the detailed list of permits and other regulatory requirements and conceptual cost estimates. The pre-consultation could either be one-one-one meetings with each agency or one large meeting with everyone or a combination of both to review permits, process, issues, etc.

Anticipated deliverables for Permitting and Regulatory

- Technical memorandum describing results of permitting and regulatory reviews, cultural resource review, and agency pre-consultation

## 1.2.B. INTERSTATE 5 ALTERNATIVES

In 2012, under direction from the legislature, WSDOT conducted a preliminary evaluation of projects to protect I-5 and the Chehalis-Centralia Airport, and provide access to critical facilities. The WSDOT report included six concepts to protect I-5. In the 2013–15 biennium, WSDOT will conduct additional work to select a "recommended alternative for budgetary purposes" to protect I-5, the Airport, and provide access to critical facilities. The selection of a "recommended alternative for budgetary purposes" is one step short of a SEPA/NEPA preferred alternative. Much of the data collection, analysis, preliminary design, conceptual mitigation and other activities associated with selection of a recommended alternative for budgetary purposes can and will be used for the SEPA/NEPA process.

Four concepts will be consideredwhen selecting a recommended alternative for budgetary purposes. They are: levees and walls, raising I-5, Interstate express lanes, and Interstate emergency by-pass. If an upper basin dam is built, it will reduce the flood risk on I-5 and around the Airport. I-5 would still need additional protection, but it will be substantially different (less) than if a dam were not built. The decision to move into the permitting phase for a water retention structure and other projects will be made by December 1, 2014; however entering the permitting phase does not guarantee a dam will be built. Therefore, WSDOT will identify a recommended

alternative for budgetary purposes and will develop a scope, schedule and estimate for the recommended alternative in both a "with dam" and "without dam" scenario.

The selected contractor will provide assistance to WSDOT by providing updated hydraulic modeling analysis of the different alternatives to protect I-5 and using new survey data obtained (see section 1.2.D. Survey of Floodplain Structures) provide a quantitative analysis of avoided or impacted structures resulting from the different alternatives. The selected contractor also will conduct a hydraulic sensitivity analysis of flood routing throughout the reach of the I-5 project area and the potential influence on downstream water surface elevations. The selected contractor will provide a modification of the Basin-wide hydraulic model to incorporate various WSDOT flood mitigation alternatives.

The selected contractor will use the recommended alternative for budgetary purposes resulting from the WSDOT analyses in the evaluation of the benefits and costs of different combinations of projects (see section 1.2.E. Comparison of Alternatives).

Anticipated deliverables for Interstate 5 Alternatives

- Technical memorandum describing hydraulic modeling analyses

### 1.2.C. SCENARIO OF SMALL FLOOD DAMAGE REDUCTION PROJECTS

The selected contractor will explore the potential benefits and potential adverse impacts of a combination of smaller local projects across the Basin, focused on protecting key infrastructure, controling shoreline erosion, and improving water conveyance and drainage at key points in the Basin. Potential projects should be explored in both "with a dam" and "without a dam" scenarios. A program of smaller projects aimed at protecting key infrastructure and priority areas through the Basin may provide a measureable reduction in damages from major floods. Further analysis of such a program needs to determine how much damage reduction is possible, and at what cost, and provide additional context for considering large-scale projects. The selected contractor will work with local governments, conservation districts and other interested parties to identify flood damage reduction projects and assess the potential benefits and potential adverse impacts of the suite of small projects with and without a water retention structure and alternatives to protect I-5.

Anticipated deliverables for Scenario of Small Flood Damage Reduction Projects

- Summary report describing the list of small flood damage reduction projects analyzed
- Report on the on the potential benefits and potential adverse impacts of small flood damage reduction projects, both with and without a large water retention structure, and with and without alternatives to protect I-5 (draft report reviewed by team and stakeholders)

### 1.2.D. SURVEY OF FLOODPLAIN STRUCTURES

Stakeholders in the Chehalis Basin have expressed the need to have better information on the number and elevation of structures in the upper Chehalis flood plain and the potential effects that various projects and flood events would have on those structures. This work will build on and refine work completed by WSDOT in 2012. Elevation work should assume a standard survey crew manually collecting data (as opposed to mechanical data collection such as LiDAR, photogrammetry, etc). First floor elevations of an agreed upon representative sample of homes and businesses, within the Chehalis flood basin from Pe Ell to Centralia, will be surveyed.

Anticipated deliverables for Survey of Floodplain Structures

- Technical memorandum describing results of survey of elevations of floodplain structures

### 1.2.E. COMPARISION OF ALTERNATIVES

Based on the results of the water retention structure, I-5 flood mitigation alternatives, and small projects scenario feasibility studies, analyses are required to compare the value of different alternatives against each other. In order to provide effective project comparisons, a mix of hydraulic modeling analyses, qualitiative studies of the impact of different alternatives, and benefit/cost analyses need to be conducted.

One method to compare alternatives is a benefit/cost analysis, which needs to assess the benefits and costs of a water retention structure as well as comparing sets of alternative project combinations as determined by the Work Group. As part of this scope of work, it is required that the benefit/cost analysis methodology be reviewed and agreed upon with the Technical Committee and Work Group prior to updating the data. The proposed tasks are the following:

*Methodology Selection*

Previous benefit/cost analyses for the flood retention structures in the Chehalis River Basin have employed different methodologies. The U.S. Army Corps methodology was used in the Phase IIB analysis conducted by EES Consultants. The Army Corps methodology follows the 1983 Economic and Environmental Principles and Guidelines for Water and Related Land Resources Implementation Studies (P&G). While this methodology is used by the Army Corps of Engineers (and would most likely be required for future federal funding), it is also limiting regarding the types of costs and benefits that can be included. For example, monetized costs and benefits for environmental or other qualitative analysis are not included in a P&G analysis. The P&G methodology is also specific about excluding costs and benefits for future development within a floodplain. Also, the P&G methodology relies on a benefit/cost analysis based on a national perspective; therefore, regional costs and benefits such as lost business income or unemployment are not included in the final benefit/cost ratio. Lastly, the P&G methodology evaluates flood damage reduction benefits on an expected value basis so that avoided damages for a 100-year flood are discounted by the probability of a 100-year flood. For these reasons, it is important to develop, or decide upon, an alternative methodology for evaluating the costs and benefits of the proposed structures.

The 2012 Alternatives Report by the Ruckelshaus Center suggested that costs and benefits for proposed projects be summarized in terms of net benefit rather than in terms of benefit/cost ratios. A net benefit approach would reveal which project provides the greatest net benefit regardless of the magnitude of the costs and benefits.

The benefit/cost methodology selection process needs to include a discussion of how uncertainty and risk should be evaluated in the benefit/cost analysis. Uncertainty can be modeled stochastically (such as Monte Carlo simulation) or deterministically (for example scenarios analysis) depending on the data available. Incorporating uncertainty into the cost effectiveness analysis needs to illustrate the level of sensitivity associated with the benefit and cost estimates. Benefit and cost estimation as well as discount rates or study periods could be included in the uncertainty analysis.

The benefit/cost analysis methodology definition needs to include a description of the baseline, or without project condition. For example, qualitative or quantitative costs and benefits associated with environmental costs and benefits could be defined assuming current conditions as the baseline, or the environmental conditions targeted through WDFW's restoration efforts.

It is recommended that at least two technical/policy meetings be held in order to determine the preferred methodology for future benefit/cost studies. The first meeting should include a detailed explanation of the P&G methodology followed by a discussion of the pros and cons of the P&G methodology. Once the P&G methodology is understood, the selected contractor would then develop the preferred methodology. A second policy meeting would finalize the drafted preferred methodology.

*Transportation Benefit Analysis*

WSDOT will develop a transportation benefit analysis as described below. The selected contractor will use the analysis developed by WSDOT in the overall benefit/cost analysis for the optimum water retention structure. The WSDOT analysis will be consistent with the overall policy direction provided by the Work Group. The water retention structure on the Chehalis River, if constructed, is expected to reduce the instances of I-5 closures. The benefits can be measured in two ways:

- The avoided cost to travelers of using alternate routes during closure events (Trip Diversion Cost Estimation).

- The reduced cost of repair and improvement to I-5 (protecting I-5)[6]

These two avoided costs can both be included in a benefit-cost analysis; however, they cannot both be included concurrently. In the past, the avoided costs associated with trips diverted from I-5 during a closure have been included up until the time WSDOT would have begun a project that would protect I-5.

Trip Diversion Cost Estimation. The cost to the traveling public of I-5 closures requires an understanding of the travel characteristics and behavior on the route. WSDOT is commissioning a separate and concurrent study that is meant to improve our understanding of I-5 travel, including origins, destinations, trip purpose, value of traveler time, and suitability and management of alternative routes. The results of this study will be provided to the selected contractor to use in considering flood damage reduction project benefits.

I-5 Improvements Cost Estimation. WSDOT will provide the cost estimates to protect I-5 as a stand alone project, and to protect I-5 with the water retention structure in place.

*Environmental Benefit and Cost Analysis*

The purpose of the Environmental Benefit and Cost Analysis is to monetize the costs and benefits of the proposed projects based on the operation plan developed. The study needs to include estimated costs and benefits compared with:

- The present state of the Chehalis River Basin environment; and
- The projected state of the environment based on the full implementation of ongoing and planned restoration and enhancement efforts.

Alternatives for water retention will have different effects on the environment through changes in water quality, environmental conditions, barriers, habitat, and specie use. The goal of the Environmental Benefit and Cost Analysis is to identify the major changes to the environment that would occur as a result of water retention and monetize the net value of those changes. It is anticipated that an Environmental Benefit and Cost Analysis would be studied once a set of alternatives have been chosen by the Work Group for analysis. The Environmental Benefit and Cost analysis could be conducted using the ARIES tool or other appropriate analtytical tools.

*Benefit/Cost Study*

The benefit/cost study needs to employ the selected methodology and results of the analyses and studies listed above. It also should include an updated estimate for flood damage reduction benefits. The methodology selected will dictate whether flood damage reduction benefits are calculated based on an expected value, or another means. For example, flood damage reduction benefits could be calculated using one event with 100 percent probability, or they can be calculated using several events according to the associated probabilities. The P&G methodology employs the latter methodology which can underemphasize the large costs associated with low-probability events.

The dam operation study will be an important factor in determining which costs and benefits should be included. For example, if the operation of the dam is designed so that minor flood events, or overbank flooding is allowed to continue, then there may be little or no increased cost to agricultural production due to lack of nutrient deposits during flood events.

Flood Damage Reduction. In the Phase IIB study conducted by EES Consultants, flood damage reduction for building, contents, agricultural acreage, emergency costs, public assistance, and the amount of debris was estimated using FEMA's HAZUS model. The HAZUS model uses regional inputs such as census block data and hydrology input to estimate the level of flood damage for a particular event. The difference in flood damages between with and without project scenarios is the project benefit. The project benefits were calculated for several flood return intervals including 10-, 50-, 100-, and 500-year events. The expected annual benefits were estimated based on the probability of each flood event and the flood reduction benefits calculated. This methodology was

[6] When including the protection of I-5 in the benefit and cost analysis, the subsequent benefits/costs to the adjacent homes and businesses affected by the I-5 project alternatives must also be included in the overall project benefit and cost analysis.

well-received; therefore, it is recommended that the HAZUS model be used for future flood damage reduction analyses.

Depth data needs to be produced from the hydraulic studies.

Power Supply. In previous analyses of water retention, capacity and energy was considered as an option. In the past, the energy value was monetized according to market prices with some renewable component under Washington State's Renewable Portfolio Standards. Based on the operation plan, any value provided for generation of energy and or capacity should be updated according to appropriate methodology.

In addition to the power supply benefits, operation and maintenance costs need to be estimated and included in the benefit/cost analysis.

Benefit/Cost Analysis. The benefit/cost analysis refers to the specific modeling required to develop the cost-effectiveness metric (benefit/cost ratio, net benefit, or other). The preferred benefit/cost methodology selected needs to determine how flood damage reduction benefits are calculated in future studies. It is assumed that flood depth levels will be provided by the hydraulic engineers for use in HAZUS or similar model. The cost estimate for the benefit/cost analysis assumes relevant studies have been completed and includes only the addition of flood damage reduction benefits or other study benefits identified in the preferred benefit/cost methodology. Possible benefits and costs may include the following:

- Property Values
- Intrinsic or other non-use or cultural value
- Economic Losses (direct or indirect)
- Emotional hardship or public safety
- Environmental benefit and costs

Other costs and benefits will need to be identified in the methodology study. The following factors may affect the cost to conduct the benefit/cost study: the number of flood return intervals evaluated; type of uncertainty analysis (stochastic i.e., Monte Carlo or deterministic); inclusion/exclusion of benefits and costs such as environmental effects; meetings or stakeholder involvement; or other methodology components not described in this document. It is assumed several other studies including environmental costs and benefits need to be included in the analysis.

*Preliminary Assessment of Funding Sources*

Given the range of possible flood alternatives that will be considered, and potentially very large costs associated, the selected contractor will provide a preliminary funding assessment of funding sources. Questions explored in the analysis could include: What are the potential funding sources for various project types? What are the requirements for receiving the various types of funding (informational, technical, public involvement, other)? The results should be documented in a technical memorandum.

Anticipated deliverables for Comparison of Alternatives

- Technical memorandum describing process and results for determining a preferred methodology for benefit-cost analyses
- Study report on environmental benefit and cost analysis (draft report reviewed by team and stakeholders)
- Study report on full benefit and cost analysis (draft report reviewed by team and stakeholders)
- Study report summarizing the hydraulic analysis and other qualitative analyses that compare the benefits and impacts of a water retention structure and different alternatives for flood damage reduction
- Technical memorandum on preliminary assessment of funding sources

### 1.2.F. AQUATIC SPECIES ENHANCEMENT PLAN

A Fish Technical Commitee comprised of representatives from the Chehalis Tribe, WDFW, and Lewis County Public Utility District will provide technical information and oversight for development of aquatic species enhancement

plan. In collaboration with the Fish Technical Commitee and the Work Group, the selected contractor needs to coordinate the completion of the Chehalis Basin Aquatic Species Enhancement Plan, including report development and support for public outreach as organized by the OFM project manager. WDFW will serve as the lead to collaborate with the selected contractor and other parties on the development of analytic tools, compilation of fish and habitat data, analysis of data, and report preparation. The Fish Technical Commitee and the OFM project manager will design a process for collecting information and knowledge of the aquatic species in the Basin from other experts and interested parties. The selected contractor will analyze the information collected from this process along with the data provided by WDFW.

Below are descriptions of primary objectives that must be included in the Enhancement Plan, including key tasks and division of labor between the selected contractor and WDFW. The selected contractor is expected to write and coordinate the development and finalization of the report chapters. The Fish Technical Commitee will review all draft products and provide input to be considered by the selected contractor. The Fish Technical Commitee will have the option to participate in the process for developing all the objectives below.

1. Describe the purpose and scope of the Plan.
2. Describe the current and historical population structure of salmon, steelhead, sturgeon, lamprey, and other key fish populations in the Chehalis Basin.
3. Describe the current and historical abundance, productivity, diversity, and spatial structure (viable salmonid population characteristics or VSP) of salmon, steelhead, sturgeon, lamprey and other key fish populations (including Olympic mudminnow) in the Chehalis Basin.
   - WDFW will compile existing information, collect additional data as necessary, and write the chapter of the Plan addressing this objective.
   - The selected contractor is expected to collaborate with WDFW on developing and validating an analytical tool that relates habitat quality and quantity to VSP characteristics of salmon and steelhead populations in the Chehalis Basin, and coordinate with WDFW on the review and finalization of the chapter.
4. Identify data gaps for both fish and habitat to identify what data should and could be collected to fill these gaps.
   - WDFW, with assistance from the Fish Technical Commitee and Ecology, will act as the lead to build a simple, conceptual species-habitat model (e.g., HIS, HEP) of the system; overlay the life cycle of the species affected (fish, amphibians, etc.); determine needed data to input into the species-habitat model(s); compile a list of fish and habitat data that are not available; prioritize data gaps and determine feasibility for collecting such data; and collect the most feasible data, while determining methods to deal with missing data that cannot feasibly be collected.
   - The selected contractor needs to provide key input to WDFW on building a conceptual species habitat model, overlaying the life cycle of the species affected, and determining needed data to input into the species-habitat model(s).
5. Describe qualitatively and quantitatively the habitat factors currently limiting fish populations in the Chehalis Basin.
   - WDFW, with assistance from the Chehalis Tribe, Lewis County PUD and Ecology, will act as the lead to compile existing information relevant to this objective, including watershed analyses, physical processes, and Ecosystem Treatment and Diagnosis; use a tool to identify and assess the habitat factors currently limiting fish populations in the Chehalis Basin; write the chapter of the Plan addressing this objective.
   - The selected contractor is expected to coordinate the review and finalization of this chapter.
6. Develop an ecosystem-based analytical framework and characterization to identify key terrestrial and aquatic structures, functions, and critical uncertainties regarding the possible downstream effects of a

dam and reservoir on the physical habitat structures and functions, and commensurate biological effects on key species.

- The selected contractor is expected to develop a conceptual model (e.g., diagram) of the important terrestrial and aquatic physical structures of the watershed, including basins and sub-basins, surface geology, land cover and land uses, water bodies, and species geographic distribution and abundance data at each life history stage. Pertinent data include Ecosystem Diagnosis and Treatment, information about land-use history, floodplain hydrology, wetland hyporheic mapping, temperature data, nutrient dynamics, digital elevation models of floodplains, etc. The selected contractor also needs to use the conceptual model of physical structures to identify and quantify the rates of transport of important watershed attributes, including the flow of water, sediment, nutrients and aquatic and terrestrial species; identify likely beneficial and detrimental effects of the proposed dam and reservoir on the water retention structures identified and the rates of transport of those attributes (e.g., water, nutrients, species, etc.) identified; write the chapter of the Plan addressing this objective; coordinate review and finalization of the chapter; and review recent habitat restoration model implications
- WDFW will collaborate with the selected contractor on all the tasks listed above.

7. Identify restoration, protection, and enhancement strategies and actions (including measures already identified and/or implemented) to address limiting factors and to improve the status of fish populations in the Chehalis Basin.
   - WDFW will compile existing information relevant to this objective, including landslides, watershed analyses, road crossings, fish passage barriers, and Ecosystem Treatment and Diagnosis; use species-habitat models (e.g., HIS, HEP) to identify and assess the benefits of habitat protection and restoration strategies and actions; and write the chapter of the Plan addressing this objective.
   - The selected contractor will coordinate the review and finalization of this chapter.
8. Assess the potential effects of alternative flood control actions on the status of habitat and fish populations in the Chehalis Basin.
   - Based on specific water retention design alternatives, the selected contractor needs to use species-habitat relationship models (e.g., HIS and HEP) to compare with and without water retention scenarios and identify the likely impacts to habitat and fish populations.
   - WDFW will collaborate with the selected contractor on this objective.
9. Describe qualitatively and quantitatively how climate change may exacerbate existing stressors or place new stressors on fish populations in the Chehalis Basin.
   - WDFW will compile existing information relevant to this objective; use models scaled down to the Chehalis River level from the Climate Impacts Group, including changes in temperature and hydrology; and use a tool and climate change projections to compare down-scaled climate change scenarios in with and without water retention scenarios.
   - The selected contractor will write and coordinate the review and finalization of this chapter.

In addition to the development of the Enhancement Plan, the selected contractor is expected to support the OFM project manager in various public outreach activities related to the Plan, including presentations to key stakeholders and the public at technical and policy workshops and community forums.

Anticipated deliverables for Aquatic Species Enhancement Plan

- Aquatic Species Enhancement Plan (draft report reviewed by the Fish Technical Commitee and stakeholders)

### 1.2.G. ENGAGEMENT WITH TECHNICAL, POLICY, AND COMMUNITY INTERESTS

A critical component for the success of the overall scope of work is effective engagement of technical, policy, and community interests. The Work Group will provide oversight and policy direction for the detailed elements of the work as needed. A technical committee of experts from state agencies and other organizations will be created and provide frequent direction to the contractor and confirm the assumptions that are used in the different technical analyses. A program manager will be provided by OFM and will serve as the interface as needed between the selected contractor, technical committee and Work Group. To expand the engagement of other technical, policy and community interests, there will be a four separate technical, policy and community workshops between July 1, 2013 and January 31, 2015. The technical and policy workshops are expected to be two-day each workshops for a total of 16 days during the period of time. The community workshops are expected to be in the evening at three locations in the Basin for each of the four workshops for a total of 12 evenings. The OFM project manager will organize and facilitate the workshops. The selected consutlant and its technical experts will need to be available for the workshops and to prepare materials as requested.

## 1.3. MINIMUM QUALIFICATIONS

Minimum qualifications include:

- Licensed to do business in the State of Washington.
- Demonstrated understanding and experience in all aspects of feasibility analyses related to water retention design, benefit-cost analysis, hydraulic modeling, and other flood hazard mitigation approaches.
- Demonstrated understanding of and experience working with Washington State agencies.
- Demonstrated understanding of the context at the federal level, in Washington State, and in other states to analyze, design, and implement water retention and other flood damage reduction projects.
- Demonstrated experience in developing aquatic species enhancement plans and use of analytical models in the Northwest United States.
- Demonstrated understanding and experience in hydraulic models.
- Demonstrated experience and understanding of water resource, flooding and aquatic species issues in the Northwest United States.
- Demonstrated capacity to successfully complete projects within the time available.
- Demonstrated experience in presenting highly technical information effectively to public audiences.
- Licensed Professional Engineer in the State of Washington with a minimum of 10 years of project experience in water resources engineering.
- Demonstrated experience working with multi-disciplinary teams.
- Demonstrated experience writing clear and concise reports.

Bidders are encouraged to propose alternative report or deliverable structures that meet and communicate the study objectives.

Any Bidder deemed by OFM to not meet all of these minimum requirements shall be considered non-responsive and their proposal will not be evaluated.

## 1.4. FUNDING

The AGENCY has budgeted an amount not to exceed $5.75 million for this project. Proposals in excess of $5.75 million will be considered non-responsive and will not be evaluated. The table below provides cost estimates that were used as a guide in developing the overall budget for this contract. Estimates include all costs related to any deliverable, incuding any required reports. Proposals may differ from the original estimates.

| **Estimated Cost Summary** | |
|---|---|
| **WATER RETENTION** | **Estimate** |
| **Engineering** | |
| Fish Passage Design | $300,000 |
| Dam Design Study | $300,000 |
| Evaluate & Compare Structure Alternatives | $200,000 |
| **Geotechnical** | |
| Conceptual Design Meetings and Support | $100,000 |
| Hydrology & Hydraulics | |
| Review Doty Gage Data | $50,000 |
| Channel Cross-Section Survey/Hydraulic Model | $200,000 |
| Reservoir Operations Plan | $150,000 |
| Update Flood Depth Data | $125,000 |
| Re-evaluate Statistical Hydrology | $25,000 |
| **Environmental** | |
| Analysis of Fish Impacts and Benefits | $600,000 |
| Water Quality | $150,000 |
| Sediment Transport | $150,000 |
| Habitat and Wildlife Studies | $375,000 |
| **Permitting & Regulatory** | |
| Review Regulatory and FERC Licensing for Alternatives | $30,000 |
| Cultural Resource Review | $50,000 |
| Agency Pre-Consultation | $50,000 |
| **I-5 ALTERNATIVES** | $200,000 |
| **SMALL PROJECTS SCENARIO** | $250,000 |
| **SURVEY OF FLOOD STRUCTURES** | $200,000 |
| **COMPARISON OF ALTERNATIVES** | |
| Methodology Selection | $55,000 |
| Transportation Benefits Analysis | $0 |
| Environmental Benefit and Cost Analysis | $500,000 |
| Benefit/Cost Study | $200,000 |
| Analyses of Alternatives | $260,000 |
| **AQUATIC SPECIES ENHANCEMENT PLAN** | $500,000 |
| **STAKEHOLDER AND COMMUNITY ENGAGEMENT** | $280,000 |
| **PROJECT MANAGEMENT** | $450,000 |
| **GRAND TOTAL** | **$5,750,000** |

Any contract awarded as a result of this procurement is contingent upon the availability of funding.

## 1.5. CONTRACT

OFM intends to award one contract to provide the services described in this RFP.

The term of the Contract will be approximately twenty-one (21) months commencing upon the start date or execution date, whichever is later. Amendments extending the period of performance, if any, shall be at the sole discretion of OFM. The term of the contract may be extended by amendment two (2) times for up to one (1) year per amendment.

Additional services that are appropriate to the scope of this RFP, as determined by OFM, may be added to the resulting contract by a written amendment mutually agreed to and executed by both parties.

## 1.6. CONTRACTING WITH CURRENT OR FORMER STATE EMPLOYEES

Specific restrictions apply to contracting with current or former state employees pursuant to chapter 42.52 of the Revised Code of Washington. Proposers should familiarize themselves with the requirements prior to submitting a proposal that includes current or former state employees.

## 1.7. DEFINITIONS

Definitions for the purposes of this RFP include:

**AGENCY** – The Office of Financial Management is the agency of the state of Washington that is issuing this RFP.

**Apparent Successful Bidder** – The bidder selected as the entity to perform the anticipated services, subject to completion of contract negotiations and execution of a written contract.

**Bidder** – Individual or company interested in the RFP and that may or does submit a proposal in order to attain a contract with the AGENCY.

**Contractor** – Individual or company whose proposal has been accepted by the AGENCY and is awarded a fully executed, written contract.

**Key Personnel** – Staff being proposed to do the work under this Proposal.

**OFM** – The Washington State Office of Financial Management.

**Proposal** – All material prepared and assembled by a Bidder, and which the Bidder submits in response to this RFP.

**Protest** – An objection by the Bidder, in writing, protesting the results of this RFP, and which complies with all requirements of this RFP.

**RCW** – Revised Code of Washington. (All references to RCW chapters or sections shall include any successor, amended, or replacement statute.)

**RFP** – Request for Proposals; i.e., this RFP document.

**RFP Coordinator** – The person named in this RFP as the RFP Coordinator, or the RFP Coordinator's designee within OFM. The sole point of contact within OFM regarding this RFP for potential Bidders and other interested parties.

**Statement of Work** – A statement of the work or services which the Contractor is to perform under any contract awarded, and which is generally in the form of an exhibit attached to the contract.

**Submit** – To deliver to the OFM RFP Coordinator any of several documents described in this RFP and in the manner specified in this RFP.

**WAC** – The Washington Administrative Code. All references to WAC chapters or sections shall include any successor, amended, or replacement regulation.)

**WEBS** – Washington's Electronic Business Solution. DSHS encourages all bidders to register with WEBS at http://www.ga.wa.gov/Webs/.

## 1.8. ADA

The AGENCY complies with the Americans with Disabilities Act (ADA). Bidders may contact the RFP Coordinator to receive this RFP in Braille or on tape.

# 2. GENERAL INFORMATION FOR BIDDERS

## 2.1. RFP COORDINATOR

The RFP Coordinator is the sole point of contact in the AGENCY for this procurement. All communication between the Bidders and the AGENCY upon release of this RFP shall be with the RFP Coordinator, as follows:

| | |
|---|---|
| Name | Bonnie Lindstrom |
| E-Mail Address | bonnie.lindstrom@ofm.wa.gov |
| Mailing Address | PO Box 43113, Olympia, WA 98504-3113 |
| Physical Address for Delivery | 302 Syd Snyder Ave. S.W., Third Floor, Olympia, WA 98504 |
| Phone Number | 360.902.0568 |
| FAX Number | 360.664.2832 |

Any other communication will be considered unofficial and non-binding on the AGENCY. Bidders are to rely on written statements issued by the RFP Coordinator. **Communication directed to *any* parties other than the RFP Coordinator will result in disqualification of the Bidder.**

## 2.2. PROCUREMENT SCHEDULE

The Procurement Schedule outlines the tentative schedule for important action dates and times. All dates after the proposal submission due date are approximate and may be adjusted as conditions indicate, without amending this document. It is the Bidder's sole responsibility to periodically check WEBS at ***http://www.ga.wa.gov/Webs/*** for amendments to this document.

| | |
|---|---|
| OFM Issues Request for Proposals | **May 3, 2013** |
| Bidder Conference – Natural Resource Building, Room 172 | May 13, 2013, 1:00 p.m. |
| Bidder may submit written questions until 3:30 p.m. Pacific Time | May 17, 2013 |
| OFM will issue responses | May 24, 2013 |
| Bidder must submit Mandatory Letter of Intent by 3:30 p.m.Pacific Time | June 3, 2013 |
| Bidder must submit Proposal by 3:30 p.m. Pacific Time | June 7, 2013 |
| OFM evaluation of Proposals | Week of June 10, 2013 |
| Bidder Oral Presentations if determined to be necessary by OFM | June 20, 2013 |
| OFM notifies Apparently Successful Bidder and begins contract negotiations | July 3, 2013 |
| OFM notifies unsuccessful Bidders | July 3, 2013 |
| Unsuccessful Bidders may request Debriefing until 3:30 p.m.Pacific Time | July 5, 2013 |
| Unsuccessful Bidders may submit Protest(s) until 3:30 p.m.Pacific Time | July 16, 2013 |
| OFM considers and responds to any Protests | Within five (5) business days of receipt of Protest |
| Begin contract work | July 22, 2013 |

The AGENCY reserves the right to revise the above schedule.

## 2.3. MANDATORY LETTER OF INTENT

If a Bidder intends to submit a Proposal in response to this RFP, that Bidder must fax or mail a Letter of Intent to the RFP Coordinator by 3:30 p.m. Pacific Time, June 3, 2013. Bidder's failure to have a Letter of Intent received by the RFP Coordinator by this time/date will cause that Bidder's Proposal to be non-responsive for this RFP. OFM is not responsible for receipt of any misdirected, mis-sent, lost, unreadable, or non-delivered Letters of Intent. A postmark is not acceptable; actual receipt by the RFP Coordinator is required.

## 2.4. QUESTIONS AND ANSWERS

Bidders may fax, e-mail, or mail written questions to the RFP Coordinator. Questions will be accepted until the date set forth in the Procurement Schedule. Early submission of questions is encouraged. Questions and answers will be posted by addenda on WEBS. Bidders may only rely on written statements issued by the RFP Coordinator. Any oral communications are unofficial and are not binding on OFM.

## 2.5. SUBMISSION OF PROPOSALS

Bidders are required to submit ten (10) copies of their proposal. One copy must be marked "Original" and the other nine (9) marked "Copy". The "Original" must have original signatures and the copies can have photocopied signatures. All copies must be identical in content to the "Original" as the evaluators will only be evaluating the copies. The Bidder must identify on the "Original" and each copy of its proposal #13-100. Along with the copies, Bidders also must submit a CD with an electronic copy of the proposal in Microsoft Word or PDF format.

The proposal, whether mailed or hand delivered, must arrive at the AGENCY no later than 3:30 p.m. Pacific Daylight Time on June 7, 2013.

The proposal is to be sent to the RFP Coordinator at the address noted in Section 2.1. The envelope should be clearly marked to the attention of the RFP Coordinator.

Bidders mailing proposals should allow normal mail delivery time to ensure timely receipt of their proposals by the RFP Coordinator. Bidders assume the risk for the method of delivery chosen. The AGENCY assumes no responsibility for delays caused by any delivery service. Proposals may not be transmitted using facsimile transmission.

Late proposals will not be accepted and will be automatically disqualified from further consideration. All proposals and any accompanying documentation become the property of the AGENCY and will not be returned.

## 2.6. PROPRIETARY INFORMATION/PUBLIC DISCLOSURE

Proposals submitted in response to this competitive procurement shall become the property of the AGENCY. All proposals received shall remain confidential until the Apparently Successful Bidder, if any, has been announced. Thereafter, the proposals shall be deemed public records as defined in Chapter 42.56 of the Revised Code of Washington (RCW).

Any information in the proposal that the Bidder desires to claim as proprietary and exempt from disclosure under the provisions of Chapter 42.56 RCW, or other state or federal law that provides for the nondisclosure of your document, must be clearly designated. The information must be clearly identified and the particular exemption from disclosure upon which the Bidder is making the claim must be cited. Each page containing the information claimed to be exempt from disclosure must be clearly identified by the words "Proprietary Information" printed on the lower right hand corner of the page. Marking the entire proposal exempt from disclosure or as Proprietary Information will not be honored.

If a public records request is made for the information that the Bidder has marked as "Proprietary Information," the AGENCY will notify the Bidder of the request and of the date that the records will be released to the requester unless the Bidder obtains a court order enjoining that disclosure. If the Bidder fails to obtain the court order enjoining disclosure, the AGENCY will release the requested information on the date specified. If a Bidder obtains a court order from a court of competent jurisdiction enjoining disclosure pursuant to Chapter 42.56 RCW, or other state or federal law that provides for nondisclosure, the AGENCY shall maintain the confidentiality of the Bidder's information per the court order.

A charge will be made for copying and shipping, as outlined in RCW 42.56. No fee shall be charged for inspection of contract files, but twenty-four (24) hours' notice to the RFP Coordinator is required. All requests for information should be directed to the RFP Coordinator.

## 2.7. REVISIONS TO THE RFP

In the event it becomes necessary to revise any part of this RFP, addenda will be provided via e-mail to all individuals who have made the RFP Coordinator aware of their interest. Addenda will also be published on WEBS at https://fortress.wa.gov/ga/webscust. For this purpose, the published questions and answers and any other pertinent information shall be provided as an addendum to the RFP and will be placed on WEBS.

The AGENCY also reserves the right to cancel or to reissue the RFP in whole or in part, prior to execution of a contract.

## 2.8. MINORITY & WOMEN-OWNED BUSINESS PARTICIPATION

In accordance with chapter 39.19 RCW, the state of Washington encourages participation in all of its contracts by firms certified by the Office of Minority and Women's Business Enterprises (OMWBE). Participation may be either on a direct basis in response to this solicitation or on a subcontractor basis. However, no preference will be included in the evaluation of proposals, no minimum level of MWBE participation shall be required as a condition for receiving an award, and proposals will not be rejected or considered non-responsive on that basis.

The established annual procurement participation goals for MBE is 10% and for WBE, 4%, for this type of project. These goals are voluntary. For information on certified firms, Bidders may contact OMWBE at 360.753.9693 or http://www.omwbe.wa.gov.

## 2.9. ACCEPTANCE OF RFP TERMS

The Bidder acknowledges that the submission of a Proposal which includes a signed Bidder Certification and Assurances Form, attached as Exhibit A, constitutes a binding offer that is valid for 60 days from the due date for receipt of proposals.

## 2.10. RESPONSIVENESS

All proposals will be reviewed by the RFP Coordinator to determine compliance with administrative requirements and instructions specified in this RFP. The Bidder is specifically notified that the AGENCY may reject or withdraw a Proposal at any time as nonresponsive for any of the following reasons:

a. Incomplete Proposal

b. Submission of a proposal that proposes services that deviate from the technical requirements set forth in this document

c. Failure to comply with any part of this RFP or any exhibit to this RFP

d. Submission of incorrect, misleading, or false information

The AGENCY also reserves the right at its sole discretion to waive minor administrative irregularities.

## 2.11. MOST FAVORABLE TERMS

The AGENCY reserves the right to make an award without further discussion of the proposal submitted. Therefore, the proposal should be submitted initially on the most favorable terms which the Bidder can propose. There will be no best and final offer procedure. The AGENCY does reserve the right to contact a Bidder for clarification of its proposal.

The Apparent Successful Bidder should be prepared to accept this RFP for incorporation into a contract resulting from this RFP. Contract negotiations may incorporate some or all of the Bidder's proposal. It is understood that the proposal will become a part of the official procurement file on this matter without obligation to the AGENCY.

## 2.12. CONTRACT AND GENERAL TERMS & CONDITIONS

The apparent successful contractor will be expected to enter into a contract which is substantially the same as the sample contract and its general terms and conditions attached as Exhibit B. In no event is a Bidder to submit its own standard contract terms and conditions in response to this solicitation. The Bidder may submit exceptions as allowed in the Certifications and Assurances form, Exhibit A to this solicitation. All exceptions to the contract terms and conditions must be submitted as an attachment to Exhibit A, Certifications and Assurances form. The AGENCY will review requested exceptions and accept or reject the same at its sole discretion.

## 2.13. COSTS TO PREPARE PROPOSAL

The AGENCY will not be liable for any costs incurred by the Bidder in preparation of a proposal submitted in response to this RFP, in conduct of a presentation, or any other activities related to responding to this RFP.

## 2.14. NO OBLIGATION TO CONTRACT

This RFP does not obligate the state of Washington or the AGENCY to contract for services specified herein.

## 2.15. REJECTION OF PROPOSALS

The AGENCY reserves the right at its sole discretion to reject any and all proposals received without penalty and not to issue a contract as a result of this RFP.

## 2.16. COMMITMENT OF FUNDS

The Director of the AGENCY or his delegate is the only individual who may legally commit the AGENCY to the expenditures of funds for a contract resulting from this RFP. No cost chargeable to the proposed contract may be incurred before receipt of a fully executed contract.

## 2.17. ELECTRONIC PAYMENT

The State of Washington prefers to utilize electronic payment in its transactions. The successful contractor will be provided a form to complete with the contract to authorize such payment method.

## 2.18. INSURANCE COVERAGE

The Contractor is to furnish the Agency with a certificate(s) of insurance executed by a duly authorized representative of each insurer, showing compliance with the insurance requirements set forth below.

The Contractor shall, at its own expense, obtain and keep in force insurance coverage which shall be maintained in full force and effect during the term of the contract. The Contractor shall furnish evidence in the form of a Certificate of Insurance that insurance shall be provided, and a copy shall be forwarded to the Agency within fifteen (15) days of the contract effective date.

Liability Insurance

A. Commercial General Liability Insurance: Contractor shall maintain commercial general liability (CGL) insurance and, if necessary, commercial umbrella insurance, with a limit of not less than $1,000,000 per each occurrence. If CGL insurance contains aggregate limits, the General Aggregate limit shall be at least twice the "each occurrence" limit. CGL insurance shall have products-completed operations aggregate limit of at least two times the "each occurrence" limit. CGL insurance shall be written on ISO occurrence from CG 00 01 (or a substitute form providing equivalent coverage). All insurance shall cover liability assumed under an insured contract (including the tort liability of another assumed in a business contract), and contain separation of insureds (cross liability) condition.

B. Additionally, the Contractor is responsible for ensuring that any subcontractors provide adequate insurance coverage for the activities arising out of subcontracts.

Business Auto Policy: As applicable, the Contractor shall maintain business auto liability and, if necessary, commercial umbrella liability insurance with a limit not less than $1,000,000 per accident. Such insurance shall cover liability arising out of "Any Auto." Business auto coverage shall be written on ISO form CA 00 01, 1990 or later edition, or substitute liability form providing equivalent coverage.

Employers Liability ("Stop Gap") Insurance: In addition, the Contractor shall buy employers liability insurance and, if necessary, commercial umbrella liability insurance with limits not less than $1,000,000 each accident for bodily injury by accident or $1,000,000 each employee for bodily injury by disease.

Additional Provisions

Above insurance policy shall include the following provisions:

1. **Additional Insured**. The state of Washington, Office of Financial Management, its elected and appointed officials, agents and employees shall be named as an additional insured on all general liability, excess, umbrella and property insurance policies. All insurance provided in compliance with this contract shall be primary as to any other insurance or self-insurance programs afforded to or maintained by the state.

2. **Cancellation**. State of Washington, Office of Financial Management, shall be provided written notice before cancellation or non-renewal of any insurance referred to therein, in accord with the following specifications. Insurers subject to 48.18 RCW (Admitted and Regulation by the Insurance Commissioner): The insurer shall give the state 45 days advance notice of cancellation or non-renewal. If cancellation is due to non-payment of premium, the state shall be given 10 days advance notice of cancellation. Insurers subject to 48.15 RCW (Surplus lines): The state shall be given 20 days advance notice of cancellation. If cancellation is due to non-payment of premium, the state shall be given 10 days advance notice of cancellation.

3. **Identification**. Policy must reference the state's contract number and the agency name.

4. **Insurance Carrier Rating**. All insurance and bonds should be issued by companies admitted to do business within the state of Washington and have a rating of A-, Class VII or better in the most recently published edition of Best's Reports. Any exception shall be reviewed and approved by Office of Financial Management Risk Manager, or the Risk Manager for the state of Washington, before the contract is accepted or work may begin. If an insurer is not admitted, all insurance policies and procedures for issuing the insurance policies must comply with Chapter 48.15 RCW and 284-15 WAC

5. **Excess Coverage**. By requiring insurance herein, the state does not represent that coverage and limits will be adequate to protect the Contractor, and such coverage and limits shall not limit the Contractor's liability under the indemnities and reimbursements granted to the state in this contract.

Workers' Compensation Coverage

The Contractor will at all times comply with all applicable workers' compensation, occupational disease, and occupational health and safety laws, statutes, and regulations to the full extent applicable. The state will not be held responsive in any way for claims filed by the Contractor or their employees for services performed under the terms of this contract.

## 2.19. COMPLAINTS

This procedure is available to Consultants who are contemplating submitting a bid in response to this RFQQ. Only complaints concerning the following subjects shall be considered:

- A claim that the solicitation unnecessarily restricts competition;
- A claim the solicitation evaluation or scoring process is unfair or flawed, or
- A claim the solicitation requirements are inadequate or insufficient to prepare a response.

Consultants complaining about this procurement shall follow the procedures described below. Complaints that do not follow these procedures shall not be considered. If a Consultant registers a complaint against this solicitation, the complaint cannot be raised again during the protest period.

All complaints must be in writing and signed by the complaining party or an authorized Agent. The complaint must be sent to the Procurement Coordinator, or designee, at least 5 business days before the proposal due date and must clearly articulate the basis for the complaint. The consultant submitting the complaint must also include a proposed remedy.

Upon receipt of a complaint, a complaint review will be held by the AGENCY. The AGENCY procurement coordinator will respond to complaints in writing and the AGENCY director will be notified of all complaints and provided a copy of the AGENCY'S response. A copy of the response to the complaint, including any changes to the solicitation, will also be posted to WEBS.

The complaint process does not include an appeal process.

# 3. PROPOSAL CONTENTS

Proposals must be written in English and submitted on eight and one-half by eleven inch (8 ½" x 11") paper. The four major sections of the proposal are to be submitted in the order noted below:

A. Letter of Submittal, including signed Certifications and Assurances (Exhibit A to this RFP)
B. Technical Proposal
C. Management Proposal
D. Cost Proposal

Proposals must provide information in the same order as presented in this document with the same headings. This will not only be helpful to the evaluators of the proposal, but should assist the Bidder in preparing a thorough response.

## 3.1. ADMINISTRATIVE REQUIREMENTS (Section 1 of Proposal)

A. Letter of Submittal. Bidders must include a signed Letter of Submittal on Bidder's official business letterhead as the first page. Signing the Letter of Submittal indicates that the Bidder accepts the terms and conditions of the RFP.

(1) Name, address, principal place of business, telephone number, and fax number/e-mail address of legal entity or individual with whom contract would be written.

(2) The name of the contact person for this RFP.

(3) Name, address, and telephone number of each principal officer (President, Vice President, Treasurer, Chairperson of the Board of Directors, etc.)

(4) Legal status of the Bidder (sole proprietorship, partnership, corporation, etc.) and the year the entity was organized to do business as the entity now substantially exists.

(5) Federal Employer Tax Identification number or Social Security number and the Washington Uniform Business Identification (UBI) number issued by the state of Washington Department of Revenue. If the Bidder does not have a UBI number, the Bidder must state that it will become licensed in Washington within thirty (30) calendar days of being selected as the Apparently Successful Contractor.

(6) Location of the facility from which the Bidder would operate.

(7) Identify any state employees or former state employees employed or on the firm's governing board as of the date of the proposal. Include their position and responsibilities within the Bidder's organization. If following a review of this information, it is determined by the AGENCY that a conflict of interest exists, the Bidder may be disqualified from further consideration for the award of a contract.

(8) A list of all RFP addenda downloaded by the Bidder from WEBS and listed in order by addenda number and date. If there are no RFP addenda, the Bidder must include a statement to that effect.

(9) A statement substantiating that the person who signs the letter is authorized to contractually bind the Bidder's firm.

(10) Identification of the page numbers on the Bidder's Proposal that are marked "Proprietary Information".

(11) If the Bidder or any subcontractor contracted with the state of Washington during the past 24 months, indicate the name of the agency, the contract number and project description and/or other information available to identify the contract.

(12) If the Bidder's staff or subcontractor's staff was an employee of the state of Washington during the past 24 months, or is currently a Washington State employee, identify the individual by name, the agency previously or currently employed by, job title or position held and separation date.

(13) If the Bidder has had a contract terminated for default in the last five years, describe such incident and submit full details of the terms for default including the other party's name, address, and phone number. Present the Bidder's position on the matter. Termination for default is defined as notice to stop performance due to the Bidder's non-performance or poor performance and the issue of performance was either (a) not litigated due to inaction on the part of the Bidder, or (b) litigated and such litigation determined that the Bidder was in default. The AGENCY will evaluate the facts and may, at its sole discretion, reject the proposal on the grounds of the past experience.

(14) If no such termination for default has been experienced by the Bidder in the past five years, so indicate.

B. Bidder Certification and Assurances Form

Bidders must submit a completed Bidder Certification and Assurances Form, Exhibit A. Please sign and include any attachments that are necessary.

C. Reference Section

List names, addresses, telephone numbers, and fax numbers/e-mail addresses of three (3) business references for the lead staff person and three (3) references each of the subcontractors for whom work has been accomplished and briefly describe the type of service provided. Do not include current AGENCY staff as references. By submitting a proposal in response to this Work Request, the Bidder and team members grant permission to AGENCY to contact these references and others, who from AGENCY's perspective, may have pertinent information. AGENCY may or may not, at AGENCY's discretion, contact references. The AGENCY may evaluate references at the AGENCY'S discretion.

D. OMWBE Certification

If Bidder is certified as a minority-owned firm and/or women-owned firm, include proof of certification issued by the Washington State Office of Minority and Womens Business Enterprises (OMWBE).

## 3.2. TECHNICAL PROPOSAL (Section 2 of Proposal)

The Technical Proposal must contain a comprehensive description of services including the following elements:

General Requirements. In this section of the Proposal, the Bidder is to provide a description of the Proposal which is consistent with the goals and objectives of the project and demonstrates the Bidder's understanding of the skills and resources required to successfully accomplish the objectives of the project and assure timely completion of deliverables.

Responses to Specific Questions (below). The Bidder is to provide a detailed resonse to each of the questions below. Please number each response so that it corresponds to the question number (Example 3.2.a, 3.2.b, etc.). The response must begin with a restatement of the question followed by the Bidder's response to the question. A reference to another section will not suffice, each answer must stand alone.

Attachments. Attachments must be labeled and the question number to which each responds must be indicated.

Points Awarded for Responses. The number in parentheses after each question or requirement represents the maximum number of points that may be awarded for the Bidder's response to that question or requirement.

a. **What is your proposed general approach and methodology?** Include a full description of your proposed approach and methodology for the project. This section should convey your understanding of the project, the purpose it's intended to serve, your strategy for performing the work and the deliverables that will be produced consistent with the intent of the contract, and how your team will work collaboratively with the the Governor's Chehalis Basin Work Group and technical committee.

*(50 points possible)*

b. **What is your proposed work plan?** Include all project requirements and the proposed tasks, services, activities, etc. necessary to accomplish the objectives and scope of the project defined in this RFP. This section must contain sufficient detail to convey to the evaluation team your knowledge of the subject and the skills and resources necessary to successfully complete the project.

*(50 points possible)*

c. **What is your proposed schedule?** Include a project schedule indicating when the elements of the work will be completed. Project schedule must ensure that any deliverables requested are complete by September 2014.

*(25 points possible)*

d. **What risks do you anticipate?** Identify potential risks that are considered significant to the timely completion of the project. Include how you propose to effectively monitor and manage these risks, including reporting of risks to the AGENCY'S contract manager and the Work Group.

*(15 points possible)*

e. **What are your proposed deliverables?** List deliverables to be submitted under the proposed contract. Deliverables must support the requirements set forth in Section 1.2, Objectives and Scope of Work.

*(15 points possible)*

f. **Consultation with experts.** Describe how your team will engage other experts and current knowledge in the respective disciplines to inform the hydraulic, hydrologic, water retention, and environmental analyses.

*(15 points possible)*

## 3.3. MANAGEMENT PROPOSAL (Section 3 of Proposal)

General Requirements. In this section of the proposal, the Bidder is to discuss project organization and the knowledge, skills, abilities, and experience of the proposed team members. The contract resulting from this procurement will require that any change in key staff (as identified in Bidder's response to this procurement) will be subject to prior OFM acceptance. The contract will also provide that OFM may request that Bidder remove selected staff on one (1) day's notice and provide replacement staff without impacting the schedule.

Responses to Specific Questions (below). In this section of the Proposal, the Bidder is to provide a detailed response to each of the questions below. Please number each response so that it corresponds to the question number (e.g., 3.3.a, 3.3.b, etc.). The response must begin with a restatement of the question followed by the Bidder's response to the question. A reference to another section will not suffice, each answer must stand alone.

Attachments. Attachments must be labeled and tabbed and the question number to which each responds must be indicated.

Points Awarded for Responses. The number in parentheses after each question or requirement represents the maximum number of points that may be awarded for the Bidder's response to that question or requirement.

a. **How will your proposed project team be structured**? Describe your proposed project team structure and internal controls, including any anticipated subcontractors. Provide an organizational chart of your firm indicating lines of authority for personnel involved in this project, and relationships of this staff to other programs or functions of the firm. This chart must also show lines of authority to the next senior level of management. Indicate who within the firm will have prime responsibility and final authority for the work.

*(15 points possible)*

b. **What are the qualifications and experience of your proposed project team?** Identify staff, including subcontractors, who will be assigned to the potential contract, indicating the responsibilities and qualifications of each person, and include the amount of time each will be assigned to the project. Provide resumes for the named staff, which include information on the individual's particular skills related to this project, education, experience, significant accomplishments, and any other pertinent information. You must commit that staff identified in its proposal will actually perform the assigned work. Any staff substitution must have the prior approval of the AGENCY.

*(35 points possible)*

**c. What is the experience of the Bidder?**

(1) Indicate the experience the Bidder and any subcontractors have in the following areas:

- Water retention
- Fish enhancement plans in the Northwest United States
- Working with state governments on high-profile issues, and under tight deadlines.
- Working under the terms and conditions of state funding.
- Hydrologic and hydraulic modeling of large, complex river basins in the Northwest United States.
- Working on multi-stakeholder processes involving large scopes of work.
- Writing clear, concise technical reports.
- Communicating technical information effectively to stakeholders and the community.

*(50 points possible)*

(2) Indicate other relevant experience that indicates the qualifications of the Bidder, and any subcontractors, for the performance of the potential contract.

*(20 points possible)*

(3) Include a list of contracts the Bidder has had during the last five years that relate to the bidder's ability to perform the services needed under this RFP. List contract reference numbers, contract period of performance, contact persons, telephone numbers, fax numbers, and e-mail addresses.

*(20 points possible)*

## 3.4. COST PROPOSAL (Section 4 of Proposal)

General Requirements. Identify all costs required for performing the tasks and requirements necessary to accomplish the objectives and scope of work of the contract. The response shall include a brief narrative that reflects any cost assumptions and other relevant information that will assist in evaluating the cost proposal.

Numbering of Responses. Number each response to correspond to the section (e.g., 3.4.a.). Begin with a restatement of the section followed by your response.

Attachments. Attachments must be labeled and tabbed, and indicate the question number to which each responds.

Content of Response**.** Bidders should provide only the information requested. Additional information or documents submitted as part of the bidder's response, but which are not responsive to the question, are not required to be considered. Evaluators may award a lower score for a response if additional information or material provided by the bidder is not responsive to the question.

Points Awarded for Responses. The total number of points for the cost proposal is 90. The final score for the cost proposal will be computed as follows:

0–70 points will be awarded based on the bidder's provision of a sufficiently detailed budget which is consistent with the instructions in Section 3.4.a.

The remaining 20 points will be awarded for the cost proposal by dividing the lowest responsive net financial cost by the Bidder's net financial cost. The result of these calculations will be multiplied by the remaining 20 financial points available. For example:

Lowest bid = $300,000
Bidder's bid = $350,000

$300,000 divided by $350,000 = 0.85

0.85 x 20 points possible = 17 points

17 points is added to the points awarded for the total cost proposal score.

**a. Identification of Costs**

Identify all costs in U.S. dollars including expenses to be charged for performing the services necessary to accomplish the objectives of the contract. Your fully-detailed budget should include a breakout of staffing costs by project personnel, including—to the extent possible—estimated total number of hours, various hourly rates, and administrative/overhead expenses. Bidder can use a format of their own choice. Bidders are required to collect and pay Washington state sales and use taxes, as applicable.

In addition to the costs, your response should include a brief narrative that reflects the cost assumptions and other relevant information.

Costs for subcontractors are to be broken out separately. Please note if any subcontractors are certified by the Office of Minority and Women's Business Enterprises.

**b. Computation**

The score for the cost proposal will be computed by dividing the lowest cost bid received by the Bidder's total cost. The resultant number will then be multiplied by the maximum possible points for the Cost Proposal Section.

# 4. EVALUATION AND CONTRACT AWARD

## 4.1. EVALUATION PROCEDURE

Responsive proposals will be evaluated strictly in accordance with the requirements stated in this solicitation and any addenda issued. The evaluation of proposals shall be accomplished by an evaluation team(s), to be designated by the AGENCY, which will determine the ranking of the proposals.

The AGENCY, at its sole discretion, may elect to select the top-scoring firms as finalists for an oral presentation.

The RFP Coordinator may contact the Bidder for clarification of any portion of the Bidder's proposal.

## 4.2. EVALUATION WEIGHTING AND SCORING

The maximum number of evaluation points available is 400. The Administrative Requirements are evaluated on a pass/fail basis. The following points will be assigned to the Proposal for evaluation purposes:

| | |
|---|---|
| **Written Proposal** | |
| Technical Proposal | 170 Points |
| Management Proposal | 140 Points |
| Cost Proposal | 90 Points |
| Sub-Total (for Written Proposal) | 400 Points |
| **Oral Presentations [optional]** | **150 Points** |
| TOTAL | 550 Points |

Scores from the written evaluations of Sections 2 Technical Proposal, and 3 Management Proposal will be averaged by the number of evaluators. Scores for Section 4 Cost Proposal will be added to the average. If OFM elects to conduct Oral Presentations, the highest-scoring bidders as a result of the Written Evaluations will be invited to make an Oral Presentation.

## 4.3. ORAL PRESENTATIONS MAY BE REQUIRED

The AGENCY may after evaluating the written proposals elect to schedule oral presentations of the finalists. Should oral presentations become necessary, the AGENCY will contact the top-scoring firm(s) from the written evaluation to schedule a date, time and location. Commitments made by the Bidder at the oral interview, if any, will be considered binding.

The scores from the written evaluation and the oral presentation combined together will determine the apparent successful contractor.

## 4.4. FINAL DETERMINATION OF APPARENTLY SUCCESSFUL BIDDER

OFM program staff and/or management may conduct a final review of the evaluation and scoring of finalist(s).
In this final review, OFM may consider past or current performance of any OFM contracts by a finalist(s), and any experience of the program or OFM in working with a finalist(s) under any past or current contract with OFM.

OFM management shall make the final determination as to which Bidder, initially designated as a finalist, shall be officially selected and notified as the Apparently Successful Bidder.

In doing so, OFM management shall be guided, but not bound, by the scores awarded by the evaluators. Program staff and OFM management shall determine which Proposals reviewed during this final selection process will best meet the needs of OFM*.*

Any Bidder who would be an Apparently Successful Bidder based on the scores awarded by the evaluators, and who is not selected, shall be provided, upon request, the reasons why OFM selected a Bidder with a lower final score.

## 4.5. NOTIFICATION TO BIDDERS

The AGENCY will notify the Apparently Successful Bidder of their selection in writing upon completion of the evaluation process. Individuals or firms whose proposals were not selected for further negotiation or award will be notified separately by e-mail or facsimile.

## 4.6. DEBRIEFING OF UNSUCCESSFUL BIDDERS

Any Bidder who has submitted a proposal and been notified that they were not selected for contract award may request a debriefing. The request for a debriefing conference must be received by the RFP Coordinator within three (3) business days after the Unsuccessful Bidder Notification is e-mailed to the Bidder. Debriefing requests must be received by the RFP Coordinator no later than 3:30 PM, local time, in Olympia, Washington on the third business day following the transmittal of the Unsuccessful Bidder Notification. The debriefing will be held within three (3) business days of the request.

Discussion at the debriefing conference will be limited to the following:

- Evaluation and scoring of the firm's proposal
- Critique of the proposal based on the evaluation
- Review of proposer's final score in comparison with other final scores without identifying the other firms

Comparisons between proposals or evaluations of the other proposals will not be allowed. Debriefing conferences may be conducted in person or on the telephone and will be scheduled for a maximum of one hour.

## 4.7. PROTEST PROCEDURE

Protests may be made only by Unsuccessful Bidders who submitted a response to this solicitation document and who have participated in a debriefing conference. Upon completing the debriefing conference, the Bidder is allowed three (3) business days to file a protest of the acquisition with the RFP Coordinator. Protests must be received by the RFP Coordinator no later than 3:30 PM, local time, in Olympia, Washington on the third business day following the debriefing. Protests may be submitted by e-mail or facsimile, but must then be followed by the document with an original signature.

Bidders protesting this procurement shall follow the procedures described below. Protests that do not follow these procedures shall not be considered. This protest procedure constitutes the sole administrative remedy available to Bidders under this procurement.

All protests must be in writing, addressed to the RFP Coordinator, and signed by the protesting party or an authorized Agent. The protest must state the RFP number, the grounds for the protest with specific facts and complete statements of the action(s) being protested. A description of the relief or corrective action being requested should also be included.

Only protests stipulating an issue of fact concerning the following subjects shall be considered:

- A matter of bias, discrimination or conflict of interest on the part of an evaluator
- Errors in computing the score
- Non-compliance with procedures described in the procurement document or AGENCY policy

Protests not based on procedural matters will not be considered. Protests will be rejected as without merit if they address issues such as: 1) an evaluator's professional judgment on the quality of a proposal, or 2) AGENCY'S assessment of its own and/or other agencies needs or requirements.

Upon receipt of a protest, a protest review will be held by the AGENCY. The AGENCY Director or an employee delegated by the Director who was not involved in the procurement will consider the record and all available facts and issue a decision within five (5) business days of receipt of the protest. If additional time is required, the protesting party will be notified of the delay.

In the event a protest may affect the interest of another Bidder that also submitted a proposal, such Bidder will be given an opportunity to submit its views and any relevant information on the protest to the RFP Coordinator.

The final determination of the protest shall:

- Find the protest lacking in merit and uphold the AGENCY's action; or
- Find only technical or harmless errors in the AGENCY's acquisition process and determine the AGENCY to be in substantial compliance and reject the protest; or
- Find merit in the protest and provide the AGENCY options which may include:
    - Correct the errors and re-evaluate all proposals, and/or
    - Reissue the solicitation document and begin a new process, or
    - Make other findings and determine other courses of action as appropriate.

If the AGENCY determines that the protest is without merit, the AGENCY will enter into a contract with the Apparently Successful Bidder. If the protest is determined to have merit, one of the alternatives noted in the preceding paragraph will be taken.

## EXHIBIT A to RFP 13-100: Certifications and Assurances

1. I/we make the following certifications and assurances as a required element of the proposal to which it is attached, understanding that the truthfulness of the facts affirmed here and the continuing compliance with these requirements are conditions precedent to the award or continuation of the related contract:
2. I/we declare that all answers and statements made in the proposal are true and correct.
3. The prices and/or cost data have been determined independently, without consultation, communication, or agreement with others for the purpose of restricting competition. However, I/we may freely join with other persons or organizations for the purpose of presenting a single proposal.
4. The attached proposal is a firm offer for a period of 60 days following receipt, and it may be accepted by the AGENCY without further negotiation (except where obviously required by lack of certainty in key terms) at any time within the 60-day period.
5. In preparing this proposal, I/we have not been assisted by any current or former employee of the state of Washington whose duties relate (or did relate) to this proposal or prospective contract, and who was assisting in other than his or her official, public capacity. If there are exceptions to these assurances, I/we have described them in full detail on a separate page attached to this document.
6. I/we understand that the AGENCY will not reimburse me/us for any costs incurred in the preparation of this proposal. All proposals become the property of the AGENCY, and I/we claim no proprietary right to the ideas, writings, items, or samples, unless so stated in this proposal.
7. Unless otherwise required by law, the prices and/or cost data which have been submitted have not been knowingly disclosed by the Proposer and will not knowingly be disclosed by him/her prior to opening, directly or indirectly, to any other Proposer or to any competitor.
8. I/we agree that submission of the attached proposal constitutes acceptance of the solicitation contents and the attached sample contract and general terms and conditions. If there are any exceptions to these terms, I/we have described those exceptions in detail on a page attached to this document.
9. No attempt has been made or will be made by the Proposer to induce any other person or firm to submit or not to submit a proposal for the purpose of restricting competition.
10. I/we grant the AGENCY the right to contact references and other, who may have pertinent information regarding the ability of the Bidder and the lead staff person to perform the services contemplated by this RFP.
11. If any staff member(s) who will perform work on this contract has retired from the State of Washington under the provisions of the 2008 Early Retirement Factors legislation, his/her name(s) is noted on a separately attached page.

We (circle one) are / are not submitting proposed Contract exceptions. (See Section 2.10, Contract and General Terms and Conditions.) If Contract exceptions are being submitted, I/we have attached them to this form.

On behalf of the Bidder submitting this proposal, my name below attests to the accuracy of the above statement.

_____

Signature of Bidder

_____

Title Date

# EXHIBIT B to RFP 13-100 : Contract Format including General Terms and Conditions (GT&Cs)

**CONTRACT BETWEEN**
**THE STATE OF WASHINGTON**
**OFFICE OF FINANCIAL MANAGEMENT**
**AND**

This Contract is made and entered into by and between the state of Washington, Office of Financial; Management, hereinafter referred to as the "AGENCY", and the below named firm, hereinafter referred to as "CONTRACTOR,"

(Contractor Name)

(Address)

(City, State Zip)

Phone:

Email:

Federal ID No.:

WA State UBI No.:

**PURPOSE**

The purpose of this contract is to

**SCOPE OF WORK**

The CONTRACTOR will provide services, and otherwise do all things necessary for or incidental to the performance of work, as set forth below:

*Option 1: Identify all tasks, work elements and objectives of the contract, and timetables by which major parts of the work are to be completed. The scope of work may be included within the text of the contract or attached as a separate exhibit as shown in Option 2 below.*

*Option 2: as included in the CONTRACTOR's Proposal dated _____ attached as Exhibit B, and the AGENCY'S Request for Proposals attached as Exhibit C.*

Exhibit A contains the General Terms and Conditions governing work to be performed under this contract, the nature of the working relationship between the AGENCY and the CONTRACTOR, and specific obligations of both parties.

The CONTRACTOR shall produce the following written reports or other written documents (deliverables) by the dates indicated below:

All written reports required under this contract must be delivered to _____, the Contract Manager, in accordance with the schedule above.

**PERIOD OF PERFORMANCE**

Subject to other contract provisions, the period of performance under this contract will be from _____ or date of execution, whichever is later, through _____, unless sooner terminated or extended as provided herein.

**COMPENSATION AND PAYMENT**

AGENCY shall pay an amount not to exceed _____ Dollars ($_____) for the performance of all things necessary for or incidental to the performance of work as set forth in the Scope of Work. CONTRACTOR'S compensation for services rendered shall be based on the following rates or in accordance with the following terms:

**Expenses**: CONTRACTOR shall receive reimbursement for travel and other expenses as identified below or as authorized in advance by the AGENCY as reimbursable. The maximum amount to be paid to the CONTRACTOR for authorized expenses shall not exceed $_____, which amount is included in the contract total above. Such expenses may include: airfare (economy or coach class only), other transportation expenses, and lodging and subsistence necessary during periods of required travel. CONTRACTOR shall receive compensation for travel expenses at current state travel reimbursement rates.

**BILLING PROCEDURES AND PAYMENT**

AGENCY will pay CONTRACTOR upon receipt of properly completed invoices, which shall be submitted to the Contract Manager not more often than monthly. The invoices shall describe and document to the AGENCY'S satisfaction a description of the work performed, the progress of the project, and fees. To receive reimbursement, CONTRACTOR must provide a detailed breakdown of authorized expenses, identifying what was expended and when. A receipt must accompany any single expenses in the amount of $50.00 or more in order to receive reimbursement.

Payment shall be considered timely if made by the AGENCY within thirty (30) days after receipt of properly completed invoices. Payment shall be sent to the address designated by the CONTRACTOR.

The AGENCY may, in its sole discretion, terminate the contract or withhold payments claimed by the CONTRACTOR for services rendered if the CONTRACTOR fails to satisfactorily comply with any term or condition of this contract.

No payments in advance or in anticipation of services or supplies to be provided under this contract shall be made by the AGENCY.

**CONTRACT MANAGEMENT**

The Contract Manager for each of the parties shall be the contact person for all communications and billings regarding the performance of this Contract.

| CONTRACTOR Contract Manager | AGENCY Contract Manager |
|---|---|
| Enter Contract Manager's Name<br>Enter Name of CONTRACTOR<br>Enter CONTRACTOR Address<br>Enter City, State & Zip Code<br>*Phone :* ( )<br>*Fax:* ( )<br>*Email address:* | Enter Contract Manager's Name<br>Enter Name of AGENCY<br>Enter AGENCY Address<br>Enter City, State & Zip Code<br>*Phone:* ( )<br>*Fax:* ( )<br>*Email address:* |

**INSURANCE**

The CONTRACTOR shall provide insurance coverage as set out in this section (or as set forth in the Request for Proposals No. 13-100. The intent of the required insurance is to protect the state should there be any claims, suits, actions, costs, damages or expenses arising from any negligent or intentional act or omission of the CONTRACTOR or subcontract, or agents of either, while performing under the terms of this contract.

The CONTRACTOR shall provide insurance coverage which shall be maintained in full force and effect during the term of this Contract, as follows:

1. Commercial General Liability Insurance Policy – Provide a Commercial General Liability Insurance Policy, including contractual liability, in adequate quantity to protect against legal liability arising out of contract activity but no less than $1,000,000 per occurrence. Additionally, the CONTRACTOR is responsible for ensuring that any subcontractors provide adequate insurance coverage for the activities arising out of subcontracts.

2. Automobile Liability – In the event that services delivered pursuant to this contract involve the use of vehicles, either owned or unowned by the CONTRACTOR, automobile liability insurance shall be required. The minimum limit for automobile liability is:

   $1,000,000 per occurrence, using a Combined Single Limit for bodily injury and property damage

3. The insurance required shall be issued by an insurance company/ies authorized to do business within the state of Washington, and shall name the state of Washington, its agents and employees as additional insureds under the insurance policy/ies. All policies shall be primary to any other valid and collectable insurance. CONTRACTOR shall instruct the insurers to give AGENCY 30 days advance notice of any insurance cancellation.

CONTRACTOR shall submit to AGENCY within fifteen days of the contract effective date, a certificate of insurance which outlines the coverage and limits defined in the Insurance section. CONTRACTOR shall submit renewal certificates as appropriate during the term of the contract.

**ASSURANCES**

AGENCY and the CONTRACTOR agree that all activity pursuant to this contract will be in accordance with all the applicable current federal, state and local laws, rules, and regulations.

**ORDER OF PRECEDENCE**

- Each of the exhibits listed below is by this reference hereby incorporated into this contract. In the event of an inconsistency in this contract, the inconsistency shall be resolved by giving precedence in the following order:
- Applicable federal and state of Washington statutes and regulations

- Special Terms and Conditions as contained in this basic contract instrument
- Exhibit A – General Terms and Conditions
- Exhibit B - Request for Proposals No. 13-100
- Exhibit C – Contractor's Proposal dated _____
- Any other provision, term or material incorporated herein by reference or otherwise incorporated

**ENTIRE AGREEMENT**

This contract including referenced exhibits represents all the terms and conditions agreed upon by the parties. No other statements or representations, written or oral, shall be deemed a part hereof.

**CONFORMANCE**

If any provision of this contract violates any statute or rule of law of the state of Washington, it is considered modified to conform to that statute or rule of law.

**APPROVAL**

This contract shall be subject to the written approval of the AGENCY'S authorized representative and shall not be binding until so approved. The contract may be altered, amended, or waived only by a written amendment executed by both parties.

THIS CONTRACT, consisting of _____ pages and _____ attachment(s), is executed by the persons signing below who warrant that they have the authority to execute the contract.

| [CONTRACTOR'S NAME] | | Office of Financial Management | |
|---|---|---|---|
| Signature | | Signature | |
| Title | Date | Title | Date |

## GENERAL TERMS AND CONDITIONS

DEFINITIONS - As used throughout this contract, the following terms shall have the meaning set forth below:

A. "Agency" shall mean the Office of Financial Management of the state of Washington, any division, section, office, unit or other entity of the Agency, or any of the officers or other officials lawfully representing that Agency.

B. "Agent" shall mean the Director, and/or the delegate authorized in writing to act on the Director's behalf.

C. "Contractor" shall mean that firm, provider, organization, individual or other entity performing service(s) under this contract, and shall include all employees of the Contractor.

D. "Subcontractor" shall mean one not in the employment of the Contractor, who is performing all or part of those services under this contract under a separate contract with the Contractor. The terms "Subcontractor" and "Subcontractors" means Subcontractor(s) in any tier.

E. "Personal Information" means information identifiable to any person, including, but not limited to, information that relates to a person's name, health, finances, education, business, use or receipt of governmental services or other activities, addresses, telephone numbers, social security numbers, driver license numbers, other identifying numbers, and any financial identifiers. Personal Information includes "Protected Health Information" as set forth in 45 CFR ξ 164.50 as currently drafted and subsequently amended or revised and other information that may be exempt from disclosure to the public or other unauthorized persons under either Chapter 42.17 RCW or other state and federal statutes.

ACCESS TO DATA - In compliance with RCW 39.29.080, the Contractor shall provide access to data generated under this contract to AGENCY, the Joint Legislative Audit and Review Committee, and the state auditor at no additional cost. This includes access to all information that supports the findings, conclusions, and recommendations of the Contractor's reports, including computer models and methodology for those models.

Contractor agrees to make personal information covered under this agreement available to Agency for inspection or to amend the personal information. Contractor shall, as directed by Agency, incorporate any amendments to the personal information into all copies of such personal information maintained by the Contractor or its subcontractors.

ADVANCE PAYMENTS PROHIBITED - No payments in advance of or in anticipation of goods or services to be provided under this contract shall be made by the Agency.

AMENDMENTS - This contract may be amended by mutual agreement of the parties. Such amendments shall not be binding unless they are in writing and signed by personnel authorized to bind each of the parties.

AMERICANS WITH DISABILITIES ACT (ADA) OF 1990, PUBLIC LAW 101-336, also referred to as the "ADA" 28 CFR Part 35 - The Contractor must comply with the ADA, which provides comprehensive civil rights protection to individuals with disabilities in the areas of employment, public accommodations, state and local government services, and telecommunications.

ASSIGNMENT – Neither this Contract, nor any claim arising under this Contract, shall be transferred or assigned by the Contractor without prior written consent of the Agency.

ATTORNEYS' FEES - In the event of litigation or other action brought to enforce contract terms, each party agrees to bear its own attorneys fees and costs.

CONFIDENTIALITY / SAFEGUARDING OF INFORMATION - The Contractor shall not use or disclose any information concerning the Agency, or information which may be classified as confidential, for any purpose not directly connected with the administration of this contract, except with prior written consent of the Agency, or as may be required by law.

CONFLICT OF INTEREST - Notwithstanding any determination by the Executive Ethics Board or other tribunal, the Agency may, in its sole discretion, by written notice to the Contractor terminate this contract if it is found after due notice and examination by the Agent that there is a violation of the Ethics in Public Service Act, Chapter 42.52 RCW; or any similar statute involving the Contractor in the procurement of, or performance under this contract.

In the event this contract is terminated as provided above, the Agency shall be entitled to pursue the same remedies against the Contractor as it could pursue in the event of a breach of the contract by the Contractor. The rights and remedies of the Agency provided for in this clause shall not be exclusive and are in addition to any other rights and remedies provided by law. The existence of facts upon which the Agent makes any determination under this clause shall be an issue and may be reviewed as provided in the "Disputes" clause of this contract.

COPYRIGHT PROVISIONS - Unless otherwise provided, all Materials produced under this contract shall be considered "works for hire" as defined by the U.S. Copyright Act and shall be owned by the Agency. The Agency shall be considered the author of such Materials. In the event the Materials are not considered "works for hire" under the U.S. Copyright laws, Contractor hereby irrevocably assigns all right, title, and interest in Materials, including all intellectual property rights, to the Agency effective from the moment of creation of such Materials.

Materials means all items in any format and includes, but is not limited to, data, reports, documents, pamphlets, advertisements, books, magazines, surveys, studies, computer programs, films, tapes, and/or sound reproductions. Ownership includes the right to copyright, patent, register and the ability to transfer these rights.

For Materials that are delivered under the contract, but that incorporate pre-existing materials not produced under the contract, Contractor hereby grants to the Agency a nonexclusive, royalty-free, irrevocable license (with rights to sublicense others) in such Materials to translate, reproduce, distribute, prepare derivative works, publicly perform, and publicly display. The Contractor warrants and represents that Contractor has all rights and permissions, including intellectual property rights, moral rights and rights of publicity, necessary to grant such a license to the Agency.

The Contractor shall exert all reasonable effort to advise the Agency, at the time of delivery of Materials furnished under this contract, of all known or potential invasions of privacy contained therein and of any portion of such document which was not produced in the performance of this contract. The Agency shall receive prompt written notice of each notice or claim of infringement received by the Contractor with respect to any data delivered under this contract. The Agency shall have the right to modify or remove any restrictive markings placed upon the data by the Contractor.

COVENANT AGAINST CONTINGENT FEES - The Contractor warrants that no person or selling agent has been employed or retained to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, excepting bona fide employees or bona fide established agents maintained by the Contractor for the purpose of securing business. The Agency shall have the right, in the event of breach of this clause by the Contractor, to annul this contract without liability or, in its discretion, to deduct from the contract price or consideration or recover by other means the full amount of such commission, percentage, brokerage or contingent fee.

DISPUTES - Except as otherwise provided in this contract, when a dispute arises between the parties and it cannot be resolved by direct negotiation, either party may request a dispute hearing with Agent.

1. The request for a dispute hearing must:
    - Be in writing;
    - State the disputed issue(s);
    - State the relative positions of the parties;
    - State the contractor's name, address, and contract number; and
    - Be mailed to the agent and the other party's (respondent's) contract manager within 3 working days after the parties agree that they cannot resolve the dispute.
2. The respondent shall send a written answer to the requester's statement to both the agent and the requester within 5 working days.
3. The Agent shall review the written statements and reply in writing to both parties within 10 working days. The Agent may extend this period if necessary by notifying the parties.
4. The parties agree that this dispute process shall precede any action in a judicial or quasi-judicial tribunal.

Nothing in this Contract shall be construed to limit the parties' choice of a mutually acceptable ADR method in addition to the dispute resolution procedure outlined above.

GOVERNING LAW - This contract shall be construed and interpreted in accordance with the laws of the state of Washington, and the venue of any action brought hereunder shall be in the Superior Court for Thurston County.

INDEMNIFICATION - To the fullest extent permitted by law, Contractor shall indemnify, defend, and hold harmless state, agencies of state and all officials, agents and employees of state, from and against all claims for injuries or death arising out of or resulting from the performance of the Contract. Contractor's obligation to indemnify, defend, and hold harmless includes any claim by Contractors' agents, employees, representatives, or any subcontractor or its employees.

Contractor expressly agrees to indemnify, defend, and hold harmless the state for any claim arising out of or incident to Contractor's or any subcontractor's performance or failure to perform the Contract. Contractor's obligation to indemnify, defend, and hold harmless the state shall not be eliminated or reduced by any actual or alleged concurrent negligence of state or its agents, agencies, employees and officials.

Contractor waives its immunity under Title 51 RCW to the extent it is required to indemnify, defend and hold harmless state and its agencies, officials, agents or employees.

INDEPENDENT CAPACITY OF THE CONTRACTOR - The parties intend that an independent contractor relationship will be created by this contract. The Contractor and his or her employees or agents performing under this contract are not employees or agents of the Agency. The Contractor will not hold himself/herself out as or claim to be an officer or employee of the Agency or of the state of Washington by reason hereof, nor will the Contractor make any claim of right, privilege or benefit which would accrue to such employee under law. Conduct and control of the work will be solely with the Contractor.

INDUSTRIAL INSURANCE COVERAGE - The Contractor shall comply with the provisions of Title 51 RCW, Industrial Insurance. If the Contractor fails to provide industrial insurance coverage or fails to pay premiums or penalties on behalf of its employees as may be required by law, Agency may collect from the Contractor the full amount payable to the Industrial Insurance accident fund. The Agency may deduct the amount owed by the Contractor to the accident fund from the amount payable to the Contractor by the Agency under this contract, and transmit the deducted amount to the Department of Labor and Industries, (L&I) Division of Insurance Services. This provision does not waive any of L&I's rights to collect from the Contractor.

LICENSING, ACCREDITATION AND REGISTRATION - The Contractor shall comply with all applicable local, state, and federal licensing, accreditation and registration requirements/standards, necessary for the performance of this contract.

LIMITATION OF AUTHORITY - Only the Agent or Agent's delegate by writing (delegation to be made prior to action) shall have the express, implied, or apparent authority to alter, amend, modify, or waive any clause or condition of this Contract. Furthermore, any alteration, amendment, modification, or waiver or any clause or condition of this contract is not effective or binding unless made in writing and signed by the Agent.

NONCOMPLIANCE WITH NONDISCRIMINATION LAWS - In the event of the Contractor's non-compliance or refusal to comply with any nondiscrimination law, regulation, or policy, this contract may be rescinded, canceled or terminated in whole or in part, and the Contractor may be declared ineligible for further contracts with the Agency. The Contractor shall, however, be given a reasonable time in which to cure this noncompliance. Any dispute may be resolved in accordance with the "Disputes" procedure set forth herein.

NONDISCRIMINATION - During the performance of this contract, the Contractor shall comply with all federal and state nondiscrimination laws, regulations and policies.

OVERPAYMENTS AND ASSERTION OF LIEN - In the event that the Agency establishes overpayments or erroneous payments made to the Contractor under this contract, the Agency may secure repayment, plus interest, if any, through the filing of a lien against the Contractor's real property or by requiring the posting of a bond, assignment of deposit or some other form of security acceptable to the Agency or by doing both.

PRIVACY - Personal information collected, used or acquired in connection with this contract shall be used solely for the purposes of this contract. Contractor and its subcontractors agree not to release, divulge, publish, transfer, sell or otherwise make known to unauthorized persons personal information without the express written consent of the Agency or as provided by law. Contractor agrees to implement physical, electronic and managerial safeguards to prevent unauthorized access to personal information.

The Agency reserves the rights to monitor, audit or investigate the use of personal information collected, used or acquired by the contractor through this contract. The monitoring, auditing or investigating may include but is not limited to "salting" by the Agency. Contractor shall certify the return or destruction of all personal information upon expiration of this contract. Salting is the act of placing a record containing unique but false information in a database that can be used later to identify inappropriate disclosure of data contained in the database.

Any breach of this provision may result in termination of the contract and the demand for return of all personal information. The Contractor agrees to indemnify and hold harmless the Agency for any damages related to the Contractor's unauthorized use of personal information.

PUBLICITY - The Contractor agrees to submit to the Agency all advertising and publicity matters relating to this Contract wherein the Agency's name is mentioned or language used from which the connection of the Agency's name may, in the Agency's judgment, be inferred or implied. The Contractor agrees not to publish or use such advertising and publicity matters without the prior written consent of the Agency.

RECORDS MAINTENANCE - The Contractor shall maintain books, records, documents, data and other evidence relating to this Contract and performance of the services described herein, including but not limited to accounting procedures and practices which sufficiently and properly reflect all direct and indirect costs of any nature expended in the performance of this Contract. Contractor shall retain such records for a period of six years following the date of final payment. At no additional cost, these records, including materials generated under the Contract, shall be subject at all reasonable times to inspection, review or audit by the Agency, personnel duly authorized by the Agency, the Office of the State Auditor, and federal and state officials so authorized by law, regulation or agreement.

If any litigation, claim or audit is started before the expiration of the six (6) year period, the records shall be retained until all litigation, claims, or audit findings involving the records have been resolved.

REGISTRATION WITH DEPARTMENT OF REVENUE - The Contractor shall complete registration with the Washington State Department of Revenue and be responsible for payment of all taxes due on payments made under this contract.

RIGHT OF INSPECTION - The Contractor shall provide right of access to its facilities to the Agency, or any of its officers, or to any other authorized agent or official of the state of Washington or the federal government, at all reasonable times, in order to monitor and evaluate performance, compliance, and/or quality assurance under this contract.

The Contractor shall make available information necessary for Agency to comply with the client's right to access, amend, and receive an accounting of disclosures of their Personal Information according to the Health Insurance Portability and Accountability Act of 1996 (HIPAA) or any regulations enacted or revised pursuant to the HIPAA provisions and applicable provisions of Washington State law. The Contractor's internal policies and procedures, books, and records relating to the safeguarding, use, and disclosure of Personal Information obtained or used as a result of this contract shall be made available to Agency and the U.S. Secretary of the Department of Health & Human Services, upon request.

SAFEGUARDING OF INFORMATION - The Contractor shall not use or disclose Personal Information in any manner that would constitute a violation of federal law, the Health Insurance Portability and Accountability Act of 1996 (HIPAA) or any regulations enacted or revised pursuant to the HIPAA provisions and applicable provisions of Washington State law. The Contractor agrees to comply with all federal and state laws and regulations, as currently enacted or revised, regarding data security and electronic data interchange of all Personal Information.

The Contractor shall protect Personal Information collected, used, or acquired in connection with this Contract, against unauthorized use, disclosure, modification or loss. The Contractor shall ensure its directors, officers, employees, subcontractors or agents use it solely for the purposes of accomplishing the services set forth in this agreement. The Contractor and its Subcontractors agree not to release, divulge, publish, transfer, sell or otherwise make it known to unauthorized persons without the express written consent of AGENCY or as otherwise required by law. The Contractor agrees to implement physical, electronic, and managerial policies, procedures, and safeguards to prevent unauthorized access, use, or disclosure of data in any form. The Contractor shall make the Personal Information available to amend as directed by Agency and incorporate any amendments into all the copies maintained by the Contractor or its Subcontractors.

The Contractor shall certify its return or destruction upon expiration or termination of this Contract and the Contractor shall retain no copies. If the Contractor and Agency mutually determine that return or destruction is not feasible, the Contractor shall not use the Personal Information in a manner other than those permitted or required by state and federal laws.

Agency reserves the right to monitor, audit, or investigate the use of personal information collected, used or acquired by the contractor through this contract. The monitoring, auditing, or investigating may include, but is not limited to, "salting" by Agency. Salting is the act of introducing data containing unique but false information that can be used later to identify inappropriate disclosure of data.

The Contractor shall notify Agency in writing within 5 working days of becoming aware of any unauthorized access, use or disclosure. The contractor will take steps necessary to mitigate any known harmful effects of such unauthorized access including, but not limited to sanctioning employees, notifying subjects, and taking steps necessary to stop further unauthorized access. The Contractor agrees to indemnify and hold harmless Agency for any damages related to unauthorized use or disclosure by the Contractor, its officers, directors, employees, Subcontractors or agents.

Any breach of this clause may result in termination of the contract and the demand for return of all Personal Information.

SAVINGS - In the event funding from state, federal, or other sources is withdrawn, reduced, or limited in any way after the effective date of this contract and prior to normal completion, the Agency may terminate the contract under the "Termination for Convenience" clause, without the ten day notice requirement, subject to renegotiation at the Agency's discretion under those new funding limitations and conditions.

SEVERABILITY - The provisions of this contract are intended to be severable. If any term or provision is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the validity of the remainder of the contract.

SITE SECURITY - While on Agency premises, Contractor, its agents, employees, or subcontractors shall conform in all respects with physical, fire or other security policies or regulations.

SUBCONTRACTING - Neither the Contractor nor any Subcontractor shall enter into subcontracts for any of the work contemplated under this contract without obtaining prior written approval of the Agency. In no event shall the existence of the subcontract operate to release or reduce the liability of the Contractor to the Agency for any breach in the performance of the contractor's duties. This clause does not include contracts of employment between the contractor and personnel assigned to work under this contract.

Additionally, the Contractor is responsible for ensuring that all terms, conditions, assurances and certifications set forth in this agreement are carried forward to any subcontracts. Contractor and its subcontractors agree not to release, divulge, publish, transfer, sell or otherwise make known to unauthorized persons personal information without the express written consent of the agency or as provided by law.

TAXES - All payments accrued on account of payroll taxes, unemployment contributions, any other taxes, insurance or other expenses for the Contractor or its staff shall be the sole responsibility of the Contractor.

TERMINATION FOR CAUSE – In the event the Agency determines the Contractor has failed to comply with the conditions of this Contract in a timely manner, the Agency has the right to suspend or terminate this Contract. Before suspending or terminating the Contract, the Agency shall notify the Contractor in writing of the need to take corrective action. If corrective action is not taken within 30 days, the Contract may be terminated or suspended. In the event of termination or suspension, the Contractor shall be liable for damages as authorized by law including, but not limited to, any cost difference between the original Contract and the replacement or cover Contract and all administrative costs directly related to the replacement Contract, e.g., cost of the competitive bidding, mailing, advertising and staff time. The Agency reserves the right to suspend all or part of the Contract, withhold further payments, or prohibit the Contractor from incurring additional obligations of funds during investigation of the alleged compliance breach and pending corrective action by the Contractor or a decision by the Agency to terminate the Contract. A termination shall be deemed to be a "Termination for Convenience" if it is determined that the Contractor: (21) was not in default; or (2) failure to perform was outside of his or her control, fault or negligence. The rights and remedies of the Agency provided in this Contract are not exclusive and are in addition to any other rights and remedies provided by law.

TERMINATION FOR CONVENIENCE - Except as otherwise provided in this contract, the Agency may, by 10 days written notice, beginning on the second day after the mailing, terminate this contract, in whole or in part. If this contract is so terminated, the Agency shall be liable only for payment required under the terms of this contract for services rendered or goods delivered prior to the effective date of termination.

TERMINATION PROCEDURES - Upon termination of this contract, the Agency, in addition to any other rights provided in this contract, may require the Contractor to deliver to the Agency any property specifically produced or acquired for the performance of such part of this contract as has been terminated. The provisions of the "Treatment of Assets" clause shall apply in such property transfer.

The Agency shall pay to the Contractor the agreed upon price, if separately stated, for completed work and services accepted by the Agency, and the amount agreed upon by the Contractor and the Agency for (i) completed work and services for which no separate price is stated, (ii) partially completed work and services, (iii) other property or services which are accepted by the Agency, and (iv) the protection and preservation of property,

unless the termination is for default, in which case the Agent shall determine the extent of the liability of the Agency. Failure to agree with such determination shall be a dispute within the meaning of the "Disputes" clause of this contract. The Agency may withhold from any amounts due the Contractor such sum as the Agent determines to be necessary to protect the Agency against potential loss or liability.

The rights and remedies of the Agency provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this contract.

After receipt of a notice of termination, and except as otherwise directed by the Agent, the Contractor shall:

1. Stop work under the contract on the date, and to the extent specified, in the notice;
2. Place no further orders or subcontracts for materials, services, or facilities except as may be necessary for completion of such portion of the work under the contract that is not terminated;
3. Assign to the Agency, in the manner, at the times, and to the extent directed by the Agent, all of the rights, title, and interest of the Contractor under the orders and subcontracts so terminated, in which case the Agency has the right, at its discretion, to settle or pay any or all claims arising out of the termination of such orders and subcontracts.
4. Settle all outstanding liabilities and all claims arising out of such termination of orders and subcontracts, with the approval or ratification of the Agent to the extent Agent may require, which approval or ratification shall be final for all the purposes of this clause;
5. Transfer title to the Agency and deliver in the manner, at the times, and to the extent directed by the Agent any property which, if the contract had been completed, would have been required to be furnished to the Agency;
6. Complete performance of such part of the work as shall not have been terminated by the Agent; and
7. Take such action as may be necessary, or as the Agent may direct, for the protection and preservation of the property related to this contract which is in the possession of the Contractor and in which the Agency has or may acquire an interest.

TREATMENT OF ASSETS -

A. Title to all property furnished by the Agency shall remain in the Agency. Title to all property furnished by the Contractor, for the cost of which the Contractor is entitled to be reimbursed as a direct item of cost under this contract, shall pass to and vest in the Agency upon delivery of such property by the Contractor. Title to other property, the cost of which is reimbursable to the Contractor under this contract, shall pass to and vest in the Agency upon (i) issuance for use of such property in the performance of this contract, or (ii) commencement of use of such property in the performance of this contract, or (iii) reimbursement of the cost thereof by the Agency in whole or in part, whichever first occurs.

B. Any property of the Agency furnished to the Contractor shall, unless otherwise provided herein or approved by the Agency, be used only for the performance of this contract.

C. The Contractor shall be responsible for any loss or damage to property of the Agency which results from the negligence of the Contractor or which results from the failure on the part of the Contractor to maintain and administer that property in accordance with sound management practices.

D. If any Agency property is lost, destroyed or damaged, the Contractor shall immediately notify the Agency and shall take all reasonable steps to protect the property from further damage.

E. The Contractor shall surrender to the Agency all property of the Agency prior to settlement upon completion, termination or cancellation of this contract.

F. All reference to the Contractor under this clause shall also include Contractor's employees, agents or Subcontractors.

U.S. DEPARTMENT OF TREASURY, OFFICE OF FOREIGN ASSETS CONTROL - The agency complies with U.S. Department of the Treasury, Office of Foreign Assets Control (OFAC) payment rules. OFAC prohibits financial

transactions with individuals or organizations, which have been placed on the OFAC Specially Designated Nationals (SDN) and Blocked Persons sanctions list located at http://www.treas.gov/offices/enforcement/ofac/index.html. Compliance with OFAC payment rules ensures that the agency does not conduct business with individuals or organizations that have been determined to be supporters of terrorism and international drug dealing or that pose other dangers to the United States.

Prior to making payment to individuals or organizations, the agency will download the current OFAC SDN file and compare it to agency and statewide vendor files. In the event of a positive match, the agency reserves the right to: (1) make a determination of "reasonability" before taking the positive match to a higher authority, (2) seek assistance from the Washington State Office of the State Treasurer (OST) for advanced assistance in resolving the positive match, (3) comply with an OFAC investigation, if required, and/or (4) if the positive match is substantiated, notify the contractor in writing and terminate the contract according to the Termination for Convenience provision without making payment. The agency will not be liable for any late payment fees or missed discounts that are the result of time required to address the issue of an OFAC match.

WAIVER – Waiver of any default or breach shall not be deemed to be a waiver of any subsequent default or breach. Any waiver shall not be construed to be a modification of the terms of this Contract unless stated to be such in writing and signed by authorized representative of the Agency.